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# *The* **CREDIT WORLD**

Official Publication of the National Retail Credit Association

*National in Name---International in Scope*

MAY, 1938 — Vol. XXVI, No. 8

## **DALLAS—Business, Financial and Fashion Center of the Great Southwest**

The home of one of the oldest credit bureaus in the United States, established in 1897, Dallas is likewise the home of the Dallas Retail Credit Men's Association, organized in 1916.

Dallas has joined San Antonio in seeking the 1940 Convention and hopes to entertain with true Southern hospitality all delegates passing through en route to the gateway to Old Mexico that year.

Dallas will be host, May 22, 23, 24 and 25 to the Annual Convention of the Eighth District of the National Retail Credit Association.



**TWENTY-SIXTH ANNUAL**

**NATIONAL CONVENTION**

**Hotel William Penn, Pittsburgh, Pa., June 21-24, 1938**

# CHARGA-PLATE and AUTHORIZATION

Because of the increased floor limit on Takes with the presentation of the Charga-Plate—authorization has been eliminated on better than 70% of all Charge Take transactions in the Hartford Charga-Plate stores.

Frauds are practically unknown on Charga-Plate transactions.

Customer Carriage on Take Withs is as high as 94% in one store.

## Hartford Charga-Plate Stores

BROWN-THOMSON, INC.

G. FOX & COMPANY

SAGE-ALLEN COMPANY, INC.

ALBERT STEIGER, INC.

WISE-SMITH & COMPANY, INC.

Office of Hartford Charga-Plate Associates, Inc.



## CHARGA-PLATE IS 100% IN HARTFORD

### SAYS THIS CREDIT MANAGER:

Recently, we made a survey of our Charga-Plate installation, and the results were so gratifying we thought you would be interested in learning what this system has meant to us as well as our customers.

The system was readily accepted by our customers and during the eighteen months it has been in use, we have not had any unfavorable comment, and although we allow delivery without reference to our office, only up to \$5.00 except during our very busy season, customers taking small purchases with them have found our service speeded up, first, because of the saving of time in imprinting their names and addresses rather than writing them and, also, because they are not obliged to wait until reference is made to our authorizing department.

In no case have we had any fraud charges on accounts to whom Charga-Plates have been issued, nor do we find, except in rare instances, that there have been purchases made in excess of the limit placed on the account. Our work has been made much easier in the billing department, and posting on wrong accounts has been almost entirely eliminated. Our last check-up of customer carriage made February 26, 1938 showed 71.4 per cent of those shopping that day used their Charga-Plates.

The success of this installation prompted us to pass along the results to you in appreciation of the service and cooperation we have had at all times since we first adopted Charga-Plate.

WM. BRONKHORST  
Credit Manager  
Wise Smith & Co., Inc.

### SAYS THE BUREAU MANAGER:

With more than a year and a half of experience with Charga-Plates in Hartford, I feel qualified to say your every promise has been fulfilled; you were even modest in portraying the many advantages your system offered.

I have supervised the local Group Office since its inception and have learned much from both customers and the stores involved that proves that customer convenience pays big dividends.

People in Hartford have been given something tangible as evidence of their good credit, and it has been obvious in many instances that they will not part with their Charga-Plate, once they have had the benefit of it.

Collections have been materially aided because of the leverage the possible loss of the Plate has over certain people. New accounts have definitely been stimulated because neighbors, friends and relatives want a Plate.

Our bureau files have shown many varied cases of where the merchants in the Charga-Plate Group have gained much over what they could analyze as definite advantage over the old method of customer account control.

ALFRED C. MOREAU  
Secretary Manager  
The Hartford Credit Rating Bureau, Inc.

## "IT'S CHARGA-PLATE FOR '38"

FARRINGTON MANUFACTURING CO.

BOSTON, MASS.

# The CREDIT WORLD

(Registered U. S. Patent Office.)

Official Magazine of the NATIONAL RETAIL CREDIT ASSOCIATION

May, 1938

Vol. XXVI

No. 8

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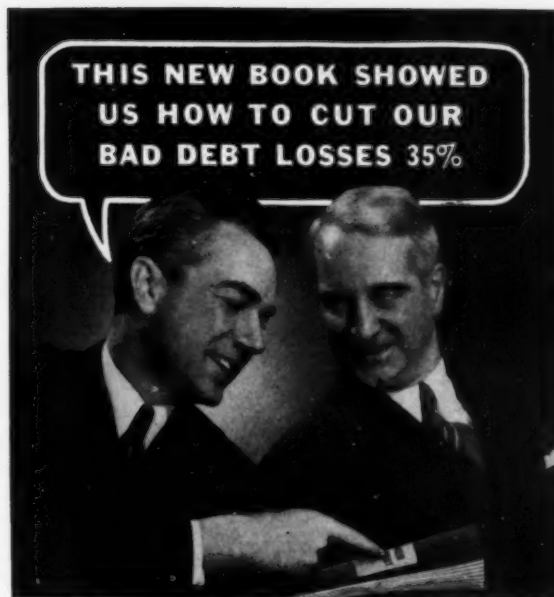
CHANGE OF ADDRESS: Please notify us promptly of any change of address so that you may not miss any issues. With your new address it is absolutely necessary that you also send us your old one. Entered as second-class matter at the Post Office at St. Louis, Mo., under the Act of March 3, 1879. Published Monthly. Subscription \$2.00 a year, to members of the National Retail Credit Association only.

This publication carries authoritative notices and articles in regard to the activities of the National Retail Credit Association.



In all other respects the Association cannot be responsible for the contents thereof or for the statements or opinions of writers.

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## Do you know the odds against you in lax installment selling?

*New free book reveals risks—  
tells how to control deferred payment credit*

Many of your accounts will have to be written off or repossessed if your installment credit methods are lax! Analysis of 10,000 accounts shows the odds against you in lax installment selling run from 2 to 1 to as high as 12 to 1.

Controlled installment selling reduces these high risks. The retailers who are doing an eminently successful job of deferred payment merchandising follow six basic principles to control their installment credit. These principles apply to any and all types of installment selling.

### Six things to do

In his new 42 page booklet, "Controlled Installment Credit," the nationally known authority on credit problems, Dr. Clyde W. Phelps, explains these six prin-

ciples and shows clearly and definitely how to apply them to your business.

This new booklet tells how to select customers, how to establish sound terms, when follow-ups should be made, when to suspend delinquents and when to help them, when you must act decisively. Dr. Phelps explains these six steps in detail so that you make practical, daily use of them.

### Copy sent free

Household Finance has published Dr. Phelps' booklet as a contribution to better credit practices. You may obtain a free copy without obligation. Please use the convenient coupon below.



## HOUSEHOLD FINANCE

CORPORATION and Subsidiaries

"Doctor of Family Finances"

... one of America's leading family finance organizations with 229 branches in 147 cities  
1878 • Completing sixty years of service to the American family • 1938

Household Finance Corporation

Dept. CW-E, 919 N. Michigan Avenue, Chicago, Illinois

Please mail me free copy of "Controlled Installment Credit." This request places me under no obligation.

Name.....

Address.....

City.....State.....

MAY, 1938

# EDITORIAL COMMENT

By COLONEL FRANKLIN BLACKSTONE  
General Chairman, Pittsburgh Convention Committees



## "If I Knew--"



### "IF I KNEW--"

What the up-to-date—really progressive—Retail Credit Sales Managers thought of the credit and collection probabilities of *this year of crises*—of the *new* and *rapidly changing* financial problems that affect retail credit—

"I would know how to present my credit policy recommendations in a more practical manner!

"AND I KNOW—how and where to get those opinions! It's AT PITTSBURGH—at the Convention of the *National Retail Credit Association*—June 21, 22, 23 and 24!

"THERE—I will meet the best retail credit brains of America: men whose efforts have brought up retail credit policies from an *experimental* expedient to a *scientific system*.

"THERE—there will be no quasi-concealment of credit thought or new collection methods:

"THERE—they will be discussed progressively, educationally, personally and cooperatively—

"In a manner that would be *impossible* elsewhere.

"The Group Conferences, original concepts of the N. R. C. A., revived at Detroit in 1920, by President Blackstone, will develop more credit education and retail merchant credit information than has been possible in any other year—in *any other place*."

THIS YEAR, CREDIT IS AT THE CROSS-ROADS!

THIS YEAR—no credit executive of a progressive mind can afford to be absent from the N. R. C. A. Convention in *Pittsburgh*: because *every retail credit* problem of the last quarter century has been originally considered by the N. R. C. A., to the advantage of its members *and retailers everywhere! It will be so in Pittsburgh!*

\* \* \*

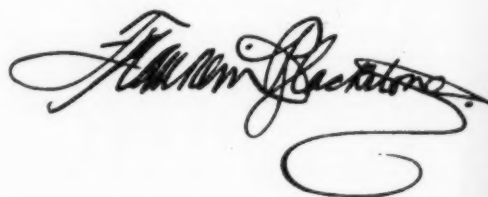
As former President of the "National," I present these facts and invite every *retail merchant*—every retail credit granter—and every retail credit sales executive and credit worker to attend the Pittsburgh Convention.

Every one of us *should improve* our *credit sense* and *business knowledge* by participating in the greatest and most important retail credit conference ever held—anywhere—any time.

\* \* \*

*Come to Pittsburgh—there you'll find the answer to your problems!*

CORDIALLY AND SINCERELY,



See the Tentative Convention Program--and the Entertainment Program--Elsewhere in this Issue



# Current Credit Trends

By FRANK M. MAYFIELD\*

President, Scruggs-Vandervoort-Barney, Inc., Saint Louis



**Y**OUR national and local associations have done an excellent job in the education of both membership and public, in standardizing credit procedure, and in research in vital credit problems. They deserve the support of all retailers.

A good commercial definition of Credit is "expectation of future payment for property transferred." Thomas Carlyle defined Credit as "suspicion asleep." Even better, I think, would be *confidence aroused*.

The entire capitalistic structure of Government and Business is built on credit. It certainly seems that everything possible should be done to allay suspicion and arouse confidence.

I have recently seen some interesting comparisons on the business in Canada and the United States, where very different Governmental Credit policies have been employed.

Since 1929, our debt has increased 119 per cent; Canada's 36 per cent. Manufacturing production fell to 60.9 of 1929 in 1933 and increased to 86.1 in 1937. In Canada it dropped to 60; rose to 94.5. Wage earners declined to 72.8 of 1929 and rose to 93.5. In Canada, 69.8 was low and 92.4 high.

Hourly wage rates dropped to 82.7; rose to 116 per cent. In Canada, 86.9 to 100.8.

Cost of living dropped to 74.8 of 1929; increased to 88.4 in 1937. Canada 77 to 83.

I have no desire to speak on politics, but the story seems clear to me, Canada went down almost as much as we did and has come back further with a much lower debt. The fundamental reason seems that they had sounder credit policies. I quote from the 1936 Retail Credit Survey of the United States Department of Commerce:

"The functions performed by retail credit in our present day of living place it among the significant phases of economic activity. Regular charge accounts and installment plans offer the consumer various services both in satisfying current and more permanent needs.

"Without the assistance of retail credit, certain consumer goods probably would not be as widely distributed and in as common use as they are at the present time. Today, about 50 per cent of all retail stores grant credit. Some 32 per cent of all retail sales are made on a credit basis.

"In common with other major forms of economic activity, therefore, retail credit should be constantly studied. It is principally by such endeavor that facts regarding the underlying forces at work in the business system can be disclosed and remedial measures adopted when needed."

It is certainly the job for this organization to study these conditions and the future welfare of this business

community greatly depends on your course of action.

The statistics of the Department of Commerce do not indicate any alarming condition in retail credit now.

In 1929, retail sales were 49 billion dollars—34 per cent on credit. In 1935, sales dropped to 33 billion dollars—32 per cent on credit. Estimates for 1937 show 40 billion dollars' sales—33 per cent on credit.

The amount of installment sales included in this credit should give us some concern. Estimates indicate that 34 per cent of credit sales were on installment in 1935, 36 per cent in 1936, and 38 per cent in 1937.

All the evidence indicates to me that the loosening of credit terms has reached a point where they are becoming unsound business policy, and, *instead of further extension, they should be shortened*.

Merchants have gone to extremes in selling terms and not merchandise. Let us remember that when a merchant sells on credit he is engaging in two functions: one, banking; the other, merchandising.

In other words, he is lending money to a man to buy his goods. Banks long ago found they could not compete on terms. They do not advertise cut-rate interest on loans, or extra discounts on deposits. In short, they have adopted a community credit policy and merchants should do the same thing on credits. *Competition should be confined to merchandise prices*.

I suppose most of you know that the British, with their genius for unusual names, call installment sales "hire purchase sales." This is a shortening of the original "hiring agreement with an option to purchase." A bill to regulate hire purchase sales was recently introduced in the House of Commons.

The sponsor said the intentions were "to check the activity of the unscrupulous door-to-door canvasser, the repossession bully, and the snatch-back-and-resell merchants." It all goes to show that if business doesn't clean itself up, the Government will, usually with bad results to both.

Business isn't any too good now and it looks as if it would continue to be hard to get for some time to come. The other day, I asked a Southern friend when department store sales were going to stop dropping. He said, "That reminds me of an old negro down here who saved his money and took an excursion to Niagara Falls.

"He was terribly disappointed in the Falls because he had evidently expected something more like a circus. So he asked a man, 'What is it that everybody comes up here to see?' 'Why it's that great river falling over that cliff. It's one of the world's great scenes.' The old negro looked up and said, 'I don't see nothing to keep it from falling.'"

And so my friend said, "I don't see nothing to keep business from falling."

(Continued on page 15.)

\*An address before the Associated Retail Credit Men of St. Louis, April 21, 1938.

# AFTER 8½ YEARS!

Associated Retail Credit Men & Credit Bureau of St. Louis

Recommend *Telautograph* more than ever before!



Telautograph reporting department at St. Louis Bureau showing 16 store connections

Mr. A. J. Kruse, Manager, wrote (Feb. 23, 1938):

"St. Louis has 16 Telautographs in service with 16 of our leading retail establishments, and it is interesting to observe that on various occasions, as we have checked these users for results being obtained, their comment indicates they are very much sold on this special type of service; particularly so with those houses who formerly used the telephone

almost exclusively as their means of obtaining and giving reports to our office.

"It must always be remembered that someone must write the message if it is to be kept as a permanent part of one's files, and inasmuch as the Telautograph does this particular thing and avoids the misunderstandings of verbal communication it is very much to be desired as a means of prompt and efficient service to the Credit Manager."

**TELAUTOGRAPH Rates Average But About \$1.00 Per Day Per Store**

**WE HAVE 45 BRANCH OFFICES AT YOUR SERVICE!!**

(See "TELAUTOGRAPH" in your phone book)

**DEPENDABILITY**

**ECONOMY**

**SERVICE**

## TELAUTOGRAPH CORPORATION

FACTORY AND GENERAL OFFICES:

16 WEST SIXTY-FIRST ST., NEW YORK, N. Y.

# Tentative Convention Program

Twenty-Sixth Annual Convention, National Retail Credit Association,  
June 21-24, 1938, Hotel William Penn, Pittsburgh, Pennsylvania

**B**ELOW we show the tentative program for our Twenty-Sixth Annual Convention to be held in Pittsburgh June 21-24. Only the addresses are shown. Of course, there will be numerous group meetings which are scheduled for Tuesday, Wednesday and Thursday afternoons. Then there are, of course, various entertainment events which are shown on pages 9 and 21.

## TUESDAY MORNING

JUNE 21

- 10:30—ADDRESS—"The Business Outlook."  
Henry H. Heimann, National Association of Credit Men, New York City.  
ADDRESS—"Modern Merchandising."  
Edgar J. Kaufmann, Kaufmann Department Stores, Inc., Pittsburgh, Pennsylvania.  
ADDRESS—"Business Recovery and Economy in Government Expenditures."  
Hon. Joseph C. O'Mahoney, United States Senator from Wyoming, Cheyenne, Wyo.  
12:30—INTRODUCTION OF PITTSBURGH CONVENTION COMMITTEE.  
12:45—CONVENTION PHOTOGRAPH.  
12:55—ANNOUNCEMENTS AND ADJOURNMENT.

## WEDNESDAY MORNING

JUNE 22

- 9:30—ADDRESS—"Improving the Efficiency of the Credit Bureau."  
Charles E. Moorman, Manager, Retail Credit Men's Association, Jacksonville, Florida.  
9:50—ADDRESS—"Ten Years of National Legislative Work and Suggestions for the Future."  
W. J. Morgan, Brooks Brothers, New York City.  
10:10—ADDRESS—"How We Try to Prevent the Pyramiding of Installment Accounts."  
S. E. Shermantine, General Manager, Retailers Credit Association, San Francisco and Alameda Counties, California.  
10:30—ADDRESS—"The Importance of Uniform Installment Terms."  
Edgar I. Amthor, L. Bamberger & Company, Newark, New Jersey.  
10:50—ADDRESS—"Personal Inventory."  
Leonard Berry, B. Forman Company, Rochester, New York.  
11:10—ADDRESS—"The American Bar Association's Stand on the Illegal Practice of Law."  
Stanley B. Houck, Chairman, Illegal Practice of Law Committee, American Bar Association, Minneapolis, Minn.  
11:40—ADDRESS—"Common Sense in Retailing."  
W. D. Hart, Retail News Editor, Fairchild Publications, New York, N. Y.

- 12:00—REPORT OF FINANCE COMMITTEE.  
REPORT OF EDUCATIONAL COMMITTEE.  
REPORT OF NOMINATING COMMITTEE.  
REPORT OF COMMITTEE ON CONSTITUTION AND BY-LAWS.

- 12:30—INTRODUCTION OF AND BRIEF REMARKS BY EXHIBITORS' REPRESENTATIVES.

- 12:45—ANNOUNCEMENTS AND ADJOURNMENT.

## THURSDAY MORNING

JUNE 23

- 9:30—ADDRESS—"The Tie That Binds."  
(Two fifteen-minute addresses.)  
Thomas Downie, Manager, Retail Credit Grantors' Bureau, Ltd., Vancouver, British Columbia; A. B. Buckeridge, Executive Manager, Credit Bureau of Greater New York, New York City.  
10:00—ADDRESS—"Plans for the Future."  
Miss Avadana Cochran, President, Credit Women's Breakfast Clubs of North America, Bremerton, Washington.  
10:20—GREETINGS FROM THE NATIONAL ASSOCIATION OF CREDIT MEN: L. W. Lyons, Westinghouse Manufacturing Company, Pittsburgh, Pennsylvania.  
10:40—ADDRESS—"Subject later."  
Dr. David R. Craig, President, American Retail Federation, Washington, D. C.  
11:10—ADDRESS—"Installment Credit—The Dangers of Considering Quality Only."  
P. C. Mohrman, Former Member, New York Stock Exchange, New York.  
11:40—ADDRESS—"The Importance of Obtaining a Complete Report from the Credit Bureau."  
E. E. Paddon, Lammert Furniture Co., St. Louis.  
12:00—ACTION ON FINAL REPORT OF COMMITTEE ON CONSTITUTION AND BY-LAWS.  
12:10—NOMINATIONS FOR OFFICERS. ELECTION.  
12:20—REPORT OF RESOLUTIONS COMMITTEE.  
12:30—ANNOUNCEMENTS AND ADJOURNMENT.

## FRIDAY MORNING

JUNE 24

- 9:45—ADDRESS—"Better Letters."  
Daniel J. Hannefin, Better Letters Counselor, St. Louis.  
10:10—ADDRESS—"Credit Sales Department Opportunities."  
Miss Mary Altizer, S. H. Heironimus Company, Roanoke, Virginia.

(Continued on page 9.)

# Los Angeles Association Conducts

## Unique Credit Publicity Campaign

By J. W. SCHNEIDER

President, J. W. Robinson Co., Los Angeles;  
President, Retail Merchants' Credit  
Association of Los Angeles



PRIOR to July, 1937, less than 1 per cent of Los Angeles residents could tell you the meaning of the initials "R. M. C. A." Six months later, a survey revealed that approximately 40 per cent of the men and women on the downtown streets associate the "R. M. C. A." Emblem with some form of responsible credit. The actual words for which the letters stand, "Retail Merchants Credit Association," may not be remembered—but the part which "R. M. C. A." plays in the commercial life of every individual and firm in this territory is being implanted firmly in the public mind, by an advertising campaign unique in the annals of credit publicity.

The "uniqueness" of this campaign is best realized when we say that its chief purpose is NOT merely to bring about prompter payment of credit obligations, is not an attempt to promote credit sales to persons otherwise unable to buy, nor does it presage a general loosening of credit restrictions in this territory. In fact, to achieve quite the opposite, to elevate and stabilize all local credit practices, for many years the major mission of the Association itself, is likewise the specific goal of this advertising campaign.

It was in June, 1937, that the directors, after many months of deliberation, decided upon an advertising campaign as the best means of achieving our objective. With the Association membership including the major stores and financial institutions and hundreds of smaller but equally responsible merchants and professional organizations and individuals, the directors realized that what was most needed was widespread public knowledge that these recognized leaders in community affairs had associated themselves in a sincere effort to make the use of credit a desirable, normal daily action for which neither the buyer nor the seller need pay unduly.

Association members, themselves long aware of the mutual advantages of sound credit practices, felt that the public generally were not thus aware and were often misled into unsound and expensive credit transactions with non-members. This fact was revealed by the mushroom growth of new local stores advertising all types of merchandise and service on a "no down payment, pay as you can" basis. Even some association members fell into the error of thinking of credit as a "commodity to be sold at a profit" and not merely as a convenience for the better service of customers.

As Mr. Kaiser, credit manager of Bullock's, so ably presented at last year's convention in Spokane, and as reported in *The CREDIT WORLD* of July, 1937, our local "R. M. C. A." had long ago established certain guides for

its members to follow in the advertising of credit. These guides, presented in the form of our "advertising agreement," regulate the size of the down payment, the duration of term contracts, the allowance for trade-ins, and other factors which always enter into the dangerous practice of competitive advertising of credit.

Fully determined to avoid such pitfalls themselves and yet most unwilling to permit sometimes unthinking but otherwise sound customers to be drawn away and forced to pay the penalty for such credit practices, these members agreed to educate the public as to what sound credit practices really are. It was decided to build that educational campaign around the existence, purpose and functions of the "R. M. C. A."

To accomplish this, an advertising committee was formed of advertising directors of representative members. This committee drafted the outline of a year's campaign and submitted it to the R. M. C. A. executive board for approval. The necessary appropriation was voted and the committee was instructed to engage proper advertising agency assistance in the detailed development and handling of the campaign.

Newspapers were selected as the major medium with consistent schedules in all metropolitan papers throughout the year. This is supported by outdoor, radio, car card, direct mail, and point of sale advertising. Because of the great number of members, it has been impractical to mention individual names in the campaign. Therefore it became necessary to establish some means of identification of R. M. C. A. members, to provide the link between the advertising and the individual member.

This was accomplished by the creation of an outstanding emblem featuring the initials "R. M. C. A." This emblem was then made up in the form of metal-and-enamel plaques for office use, glass signs and printed cards for window display and store use, and electrotypes for use in individual members' advertising. These emblems were loaned to the members with their use revocable in the event of a violation of the "advertising agreement" mentioned earlier in this article.

These various forms of identification have been used effectively by the members. All members received a mailing introducing the campaign in advance of the first advertisement, and follow-up mailings have been made periodically. As the campaign progresses, members have had impressed upon them the fact that their association is creating, with this advertising, a great potential force and source of business and that it is the member's responsibility to take advantage of the opportunity by individual adapta-



# RETAIL MERCHANTS CREDIT ASSOCIATION

OF LOS ANGELES

417 S. HILL STREET  
TRUNK 7471



①

To R.M.C.A. Members:

The value of your membership is about to be increased greatly. Heretofore its worth has been determined solely by the credit protection it has afforded you. Now, to that protection is to be added definite institutional and SALES value. This is to be accomplished by an extensive advertising campaign to start at once. The purpose of this advance mailing is to acquaint you with the plans so that you, individually, may profit to the greatest possible extent.

Briefly stated, the four-fold purpose of the campaign is:

1. To establish the use of credit as a desirable, normal daily action, as a standard measure of individual financial and social standing.
2. To elevate in the minds of the sound middle class of purchasers, the use of term payment buying from the merchants truly representative of the community; also to encourage the practice of buying on a charge account.
3. To identify the RESPONSIBLE merchants and banking and professional interests of Los Angeles with proper credit practices.

4. To  
of  
cre  
see

A  
PAINTED  
BULLETIN  
on WILSHIRE BLVD.  
for an Entire Year  
and  
CITY-WIDE OUTDOOR  
ADVERTISING  
this Summer  
and Next Spring

will help  
tell the  
story of  
R.M.C.A.



This Great Advertising Campaign is  
Designed to Increase Your Business



... what  
it means  
to you

③

USE YOUR CREDIT

Fig. 3 is the cover of a four-page folder explaining RMCA. Fig. 4 is package enclosure.

"Charge It,  
Please!"



④



②

USE YOUR  
CREDIT

RETAIL MERCHANTS  
CREDIT ASSOCIATION  
OF LOS ANGELES

Fig. 1 is first page of a broadside to members explaining the campaign. Fig. 2 is the cover of a 24-page booklet, "Use Your Credit." Fig. 3 is the first newspaper ad of the campaign.



⑤

This Insignia is Your  
Guarantee of Reliable Credit

It is the insignia of the Retail Merchants Credit Association of Los Angeles. The R.M.C.A. has devoted itself to making credit trustworthy in Los Angeles for 29 years. R.M.C.A. members are pledged to deal fairly with those with whom they make credit arrangements.

They are pledged...

- to give you sound credit advice;
- to make the wise use of your credit desirable and convenient;
- to protect you from unwise over-extension of your credit;
- to bring within your reach the articles you need to make living immediately more satisfactory, within your means;
- to protect you from over-costly credit arrangements;
- to give you the benefit of experienced consultants in arranging your credit purchases;
- to maintain individual credit on the high social plane it deserves and to make it a constructive factor in raising the living standards of the community.

The insignia of R.M.C.A. Credit means trustworthiness. Arrange your credit through merchants displaying this insignia and feel assured of satisfaction.

"DON'T MERELY ASK FOR CREDIT  
... ASK FOR R.M.C.A. CREDIT"

Send this Coupon to the Retail Merchants Credit Association of Los Angeles, 417 South Hill Street, Los Angeles, for the informative booklet, "USE YOUR CREDIT."

Your Name \_\_\_\_\_  
Address \_\_\_\_\_

tion of the campaign to his own particular needs. *Care is being taken that the advertising includes the proper emphasis upon all phases of credit offered by all R. M. C. A. members.*

So much for the inception and mechanics of the campaign. Now to answer the questions, "What can the Association gain by such publicity?" "What are the results to date?"

The Association itself has gained by adding to the value of membership heretofore measured entirely in terms of credit protection. This campaign has added definite institutional and sales value to membership: First, by establishing the use of credit as a desirable, normal daily action, as a standard measure of individual and social standing; second, by elevating in the minds of the sound middle class of buyers, the use of term payment buying from the merchants truly representative of the community, also by encouraging the practice of buying on a monthly charge account; third, by identifying the member merchants and banking and professional interests of Los Angeles with proper credit practices; fourth, by creating a wider general recognition of the value of maintaining personal credit on a sound basis by the prompt meeting of all obligations.

The widespread public recognition of the many advantages of doing business with R. M. C. A. members has provided the Association with its most powerful argument in combating the unsound credit practices that are contrary to R. M. C. A. policies. The membership reports large increases in the number of inquiries regarding monthly charge and term accounts. The Association has received numerous public calls asking if "so-and-so" is a member of R. M. C. A., with the declaration, "If not, we will buy elsewhere." Non-member firms whose credit policies have been unsound, are applying for membership and are abandoning bad business procedures before being admitted.

This increased Association membership provides further protection to all members through increased trade clearance channels. Association field men as well as the credit consultants of individual members, in their personal interviews with credit applicants, find less reluctance to review personal and financial affairs, because of the growing recognition of the sincerity of R. M. C. A. members in serving the public.

This cooperation has permitted more complete and faster credit information service. Our campaign has revealed many new phases of the retailer-consumer relationship and its importance in the community, and has done more to place this territory on a sounder credit basis than anything heretofore attempted.

The directors of the Retail Merchants Credit Association of Los Angeles were agreed that this advertising campaign would be of great benefit to the public, to our individual members, and to the Association. We now know that we really underestimated its value to all three.

The Group Conferences at the Pittsburgh Convention will consider new and important subjects of a character that will improve any credit department or credit executive. The place to secure these new and important credit data is "Pittsburgh, 1938."—*Franklin Blackstone, General Chairman, Pittsburgh Convention Committees.*

## LIMIT CREDIT . . . AND STILL STIMULATE BUYING!

### IT'S EASY WITH "COUPON CASH"

At last—a simple, dignified way for department stores to control credit. Rand McNally Budget Coupon Books stimulate buying like charge accounts—but they limit credit and reduce bookkeeping costs.

Rand McNally "coupon cash" is issued in any convenient amount—\$10 and up. Customers pay 20 or 25% down, and the balance in monthly installments.

Widely known for their accuracy and lasting qualities, Rand McNally Budget Coupon Books are now being used in scores of stores. For further information, write Dept. CW-5, Rand McNally & Company, 536 South Clark Street, Chicago, or 111 Eighth Avenue, New York City.



**RAND McNALLY** BUDGET COUPON BOOKS

## MODERNIZE

WITH



### GF METAL OFFICE EQUIPMENT

Years subtract nothing from the beauty and utility of GF equipment.

Now more than ever, good business dictates that every investment in equipment should render maximum service with minimum depreciation.

**THE GENERAL FIREPROOFING CO.**  
YOUNGSTOWN, O.

## Tentative Convention Program

(Continued from page 5.)

- 10:30—ADDRESS—"Improving Credit Conditions Through Education."  
(Three twenty-minute addresses.)  
"Newspapers." John K. Althaus, Manager, Associated Retail Credit Men, Inc., Washington, D. C.  
"Radio." E. G. Graves, Secretary-Manager, Retail Merchants Association, Fort Worth, Texas.  
"Credit Bureau." Miss Lily Person, Minneapolis, Minn.
- 11:30—AWARDING OF TROPHIES.
- 12:00—ACTION ON REPORT OF RESOLUTIONS COMMITTEE.  
RECOMMENDATIONS FROM GROUP MEETINGS.  
WHERE SHALL WE MEET IN 1939?  
UNFINISHED BUSINESS.
- 12:30—INSTALLATION OF NEW OFFICERS.
- 12:45—ADJOURNMENT.

## Entertainment Program

### MONDAY MORNING

JUNE 20

- 10:30—Directors' meeting at the Pittsburgh Field Club. Cars leave at Grant Street Entrance, Hotel William Penn, at 10:00. Police Escort.
- 11:45—Cars leave, at same entrance, to convey ladies to Pittsburgh Field Club.
- 12:30—Luncheon for Officers and Directors of N. R. C. A.; A. C. B. of A.; and N. C. C. R. C.
- 12:30—Luncheon for wives of aforesaid officers and directors. *Chairman*: Mrs. Joyce.

### MONDAY AFTERNOON

#### Men

Golf Tournament for National Officers and Directors. Dr. H. R. Decker, *Chairman*; J. L. Gillespie, *Vice-Chairman*; J. K. Althaus, J. L. Meyer and C. G. Kaessner.

#### Ladies

Swimming in the Pittsburgh Field Club Pool: *Chairman*—Miss Margaret Barton. Cards: *Chairman*—Mrs. F. Blackstone, Mrs. C. Guy Ferguson, Mrs. W. B. McConnell, Mrs. D. H. Goldman, Mrs. H. C. Engel, Mrs. H. E. Wilson.

### MONDAY EVENING

Jack Marshard's Orchestra, Urban Room, 17th floor, Hotel William Penn. (Upon identification of delegates, there will be no cover or minimum charge.) Harry E. Wilson, *Chairman*, and the entire Entertainment Committee will greet you, as well as C. Guy Ferguson, Manager of The Credit Bureau, Inc., and Franklin Blackstone, General Chairman of the Convention Committee.

## TUESDAY MORNING

JUNE 21

- 8:00—Breakfast for women delegates and wives of delegates. *Chairman*—Mrs. A. R. Joyce; Miss Barton, Miss Schwalm, Miss Rowe.
- 11:00—Cars leave Grant Street Entrance, William Penn Hotel. R. W. Sloan, *Chairman*, Transportation Committee.
- 12:00—Luncheon at H. J. Heinz Company. *Chairman*—Mrs. A. R. Joyce.

## TUESDAY AFTERNOON

- 2:30—Sight-seeing trip for the wives of the delegates. Visit to: Block House; incline trip to Mount Washington overlooking Pittsburgh; Liberty Tubes; Jones & Laughlin Steel Mills; Gulf Building Tower; Duquesne Brewery and J. T. & A. Hamilton Glass Company. *Chairman*—Mrs. C. Guy Ferguson; Mrs. Leslie Waddill, Mrs. Felix Weil and Mrs. C. W. Orwig.

## TUESDAY EVENING

- 10:00—"Aloha-Oe"—Ball Room.

## WEDNESDAY MORNING

JUNE 22

- 9:00-11:00—Gulf Building Tower, at leisure; Shopping; Visit to Stores; WCAE, Wm. Penn Hotel; WJAS—KQV—Chamber of Commerce Bldg.; WWSW, Keystone Hotel; KDKA, Pioneer Broadcasting Station of the World, Grant Building. *Chairman*, Mrs. Harry C. Engel; Mrs. H. W. Leonard; Mrs. E. J. Fischer; and Miss Rowe.
- 11:30—Cars leave at Grant St. Entrance, Hotel William Penn, at 11:30 promptly. R. W. Sloan, *Chairman*, Transportation Committee.
- 12:00—Luncheon at Terrace Garden, Hotel Schenley. *Chairman*—Mrs. Agnes R. Joyce.

## WEDNESDAY AFTERNOON

- 2:00—Visit to Cathedral of Learning, Mellon Institute; Carnegie Museum, Carnegie Art Gallery; Carnegie Library, and Soldiers' Memorial Hall; all in the \$100,000,000 Civic Center of Pittsburgh. (Mrs. H. E. Wilson, *Chairman* of Tour.)

### Special Announcement

- 4:00—As Wednesday dinner and evening engagements are usually left open at N. R. C. A. Conventions, as a matter of "personal privilege" of delegates, for visiting friends, writing reports to their firms, or recording important credit educational developments, or attending special committee meetings, etc., the Pittsburgh Committee has followed the usual custom.

However, for those delegates who prefer something other than the above, the Committee has arranged for subscription dinner

(Continued on page 21.)



# The Barometer of Retail Business

## Credit Sales and Collection Trends

March, 1938  
versus  
March, 1937

Compiled by Research Division  
National Retail Credit Association  
Arthur H. Hert, Research Director

**C**REDIT sales decreased 6.3 per cent during March, collections 3.4 per cent, and total sales 8.9 per cent as compared with March, 1937. These decreases were the result of (1) unemployment; (2) lower prices for farm products in some sections; (3) factories working only part time; (4) public hesitant to buy; and (5) Easter buying was late, Easter being in March last year.

### HIGH-LIGHTS—CREDIT SALES

- 28 Cities reported decreases.
- 6.3% Was the average decrease for all cities.
- 27.0% Was the greatest decrease (Detroit, Mich.).
- 35 Cities reported increases.
- 20.0% Was the greatest increase (Charleston, S. C.).
- 2 Cities reported no change.

Sixty-five cities, representing 22,531 retail stores, are included in this compilation.

Collections were fair in *New England*. Open account sales increased 1.0 per cent while installment sales decreased 16.6 per cent in *Providence, R. I.*

Collections, credit and total sales were slow in the *New York* and *Pennsylvania* area. The results of a decided decline in industrial activity in *Pittsburgh* were being felt keenly and recorded in a 12.0 per cent decrease in credit sales during March. . . . Retail business was off in *Uniontown, Pa.*, as the mines were operating less than half-time.

Collections, credit and total sales were fair in the *Maryland* and *West Virginia* area. *Clarksburg* reported a decrease in glass and coal sales below last year—and an increase in unemployment.

Retail business continues to be active in *Fort Lauderdale, Fla.* Farm prices in the territory are higher with excellent vegetable crops. . . . Collections increased 10.0 per cent in *Charleston, S. C.*, while credit sales increased 20.0 per cent as a result of mild weather and excellent tourist business.

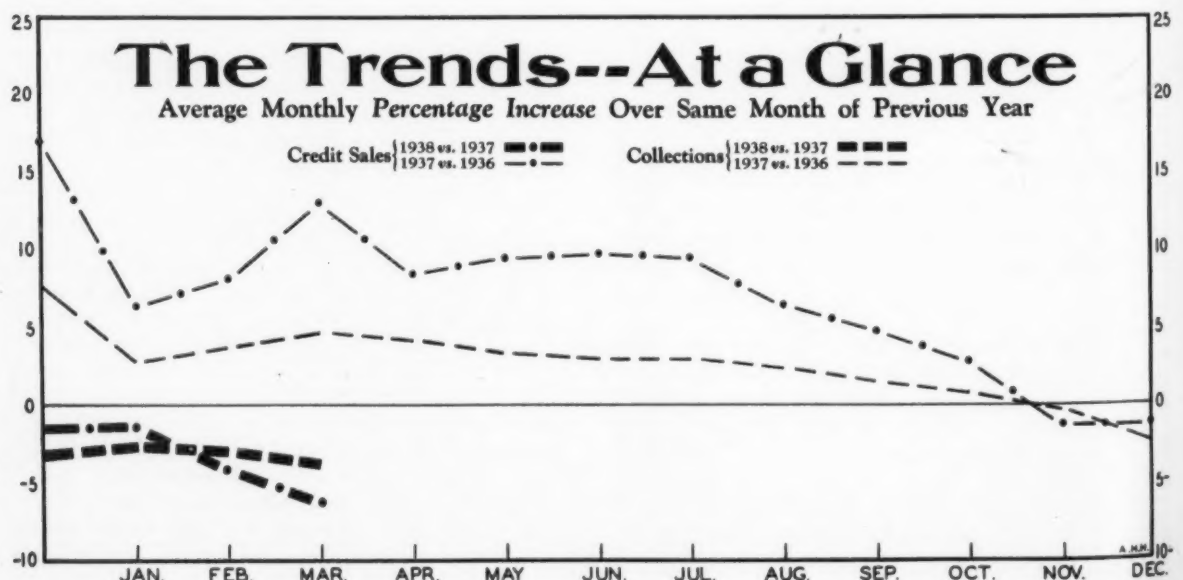
Collections remained unchanged in *Lexington, Ky.*, while credit sales increased 1.5 per cent. Farmers are re-

### HIGH-LIGHTS—COLLECTIONS

- 49 Cities reported decreases.
- 3.4% Was the average decrease for all cities.
- 21.0% Was the greatest decrease (Mount Clemens, Mich.).
- 14 Cities reported increases.
- 10.0% Was the greatest increase (Charleston, S. C.).
- 2 Cities reported no change.

ceiving good prices for their crops while the tobacco crop is above the average in quantity. . . . *St. Louis* reported their collections decreased 3.0 per cent while credit sales remained unchanged. The general public is hesitant to buy as the result of increased unemployment.

Collections, credit and total sales were fair to slow in *Illinois, Michigan, Ohio* and *Wisconsin*. The area was





affected greatly by reduced employment. The factories that are still operating are running only part time.

Collections, credit and total sales were fair to slow in the Iowa, Minnesota and Nebraska area. This is the result of lower prices for farm products and increased unemployment.

Collections and credit sales were off 20.0 per cent respectively in Las Cruces, N. M., as the result of "unsettled cotton situation." . . . Collections were off 1.7 per cent in Tulsa, Okla., while credit sales decreased 9.1 per cent. Collections were fair to good in Texas; however, several cities reported slight increases in credit and total sales. Borger reported that more people are out of employment at this time than in several years.

Collections and credit sales were slow in Greeley, Colo. Farm conditions, however, are improving with higher prices for agricultural products. The outlook is good for the surrounding territory. . . . Collections were off 14.0 per cent in Pueblo, Colo., as the result of continued unemployment.

Collections, credit and total sales were off 5.0 per cent respectively in Torrington, Wyo. This was due to lower prices for farm products.

Collections were slow in Lewiston, Ida., due to unemployment and unseasonable weather. . . . Collections,

credit and total sales were fair to slow in Oregon and Washington.

Collections were off 6.3 per cent in El Centro, Calif., while credit sales were off 4.0 per cent. No crops are being marketed now, resulting in increased unemployment. . . . Santa Barbara reported their collections increased 1.0

#### HIGH-LIGHTS—TOTAL SALES

26 Cities reported decreases.

8.9% Was the average decrease for all cities.

22.0% Was the greatest decrease (Toledo, Ohio).

39 Cities reported increases.

10.0% Was the greatest increase (Fort Lauderdale, Fla.).

per cent while credit and total sales decreased 8.0 per cent.

Collections in Victoria, B. C., increased 5.0 per cent while credit sales decreased 5.0 per cent. Total sales were off 10.0 per cent. Easter occurring in April this year (instead of March as in last year) affected retail business more than any other factor.

### Comparative Reports -- By Cities -- March, 1938, vs. March, 1937

[Sixty-Five cities -- representing 22,531 retail stores -- reporting]

District and City	Collections	Increase or Decrease	Credit Sales	Increase or Decrease
1. Boston, Mass.	Fair	- 0.1	Fair	+ ...
Worcester, Mass.	Fair	- 3.0	Fair	+ ...
Providence, R. I.	Fair	- 0.5	Fair	- ...
Average	Fair	- 1.2	Fair	+ ...
2. New York City	Good	- 1.0	Good	+ ...
Utica, N. Y.	Slow	- 5.0	Slow	-11.0
Erie, Pa.	Good	- 1.5	Fair	-15.6
Pittsburgh, Pa.	Slow	-10.0	Slow	-12.0
Reading, Pa.	Fair	- 1.7	Fair	+ ...
Uniontown, Pa.	Slow	- 9.0	Slow	-10.0
Average	Fair	- 4.7	Fair	-12.0
3. Baltimore, Md.	Fair	- 1.7	Fair	+ ...
Charleston, W. Va.	Fair	- 2.2	Fair	+ ...
Clarksburg, W. Va.	Fair	- 7.0	Fair	- 6.0
Huntington, W. Va.	Good	+ 2.7	Fair	+ ...
Average	Fair	- 2.0	Fair	+ ...
4. Fort Lauderdale, Fla.	Fair	+ 2.0	Good	+ 8.0
Jacksonville, Fla.	Fair	- 7.5	Fair	- 9.5
Charleston, S. C.	Fair	+10.0	Good	+20.0
Average	Fair	+ 1.5	Good	+ 6.1
5. Lexington, Ky.	Good	No chg.	Fair	- 1.5
St. Louis, Mo.	Fair	- 3.0	Fair	No chg.
Average	Fair	- 1.5	Fair	- 0.7
6. Decatur, Ill.	Fair	- 2.0	Fair	+ ...
Bay City, Mich.	Slow	- 3.0	Fair	- 1.0
Detroit, Mich.	Fair	+ 2.4	Slow	-27.0
Grand Rapids, Mich.	Fair	+ ...	Fair	+ ...
Mount Clemens, Mich.	Slow	-21.0	Slow	-17.0
Cincinnati, Ohio	Fair	+ 0.9	Slow	-19.5
Cleveland, Ohio	Fair	- 6.1	Fair	+ ...
Columbus, Ohio	Fair	- 3.2	Fair	+ ...
Dayton, Ohio	Fair	- 5.5	Fair	-22.6
Toledo, Ohio	Fair	-15.0	Fair	-20.0
Milwaukee, Wis.	Fair	- 2.3	Fair	+ ...
Average	Fair	- 5.5	Fair	-17.8
7. Cedar Rapids, Ia.	Slow	- 3.5	Slow	- ...
Davenport, Ia.	Fair	- 2.0	Fair	+ ...
Des Moines, Ia.	Fair	- 1.1	Fair	+ ...
8. Sioux City, Ia.	Slow	- 2.0	Slow	- 2.0
Duluth, Minn.	Fair	+ 0.4	Fair	+ ...
St. Paul, Minn.	Fair	- 0.6	Fair	- ...
Omaha, Neb.	Fair	- 2.5	Fair	+ ...
Average	Fair	- 1.6	Fair	+ ...
*8. Las Cruces, N. M.	Fair	-20.0	Fair	-20.0
Tulsa, Okla.	Fair	- 1.7	Slow	- 9.1
Abilene, Tex.	Fair	- 2.9	Fair	- 1.1
Amarillo, Tex.	Good	+ 0.7	Good	+ 2.5
Austin, Tex.	Good	+ 0.3	Good	+ 1.3
Beaumont, Tex.	Fair	- 4.6	Good	+ 2.6
Borger, Tex.	Slow	- 7.5	Slow	-10.0
Dallas, Tex.	Fair	- 4.0	Good	+ 2.1
Fort Worth, Tex.	Good	+ 2.1	Good	+ 3.4
Houston, Tex.	Fair	- 2.5	Good	+ 1.8
San Antonio, Tex.	Fair	- 0.5	Good	+ 7.4
Waco, Tex.	Fair	- 2.6	Fair	- 0.4
Average	Fair	- 3.6	Fair	- 1.6
9. Denver, Colo.	Good	+ 1.3	Good	+ ...
Greeley, Colo.	Slow	- ...	Slow	- ...
Pueblo, Colo.	Slow	-14.0	Slow	-17.0
Salt Lake City, Utah	Fair	- 1.1	Fair	+ ...
Casper, Wyo.	Slow	-12.6	Fair	+ ...
Cheyenne, Wyo.	Fair	- 5.0	Slow	-10.0
Torrington, Wyo.	Slow	- 5.0	Slow	- 5.0
Average	Fair	- 6.1	Fair	-10.6
10. Lewiston, Ida.	Slow	-17.5	Slow	-20.0
Portland, Ore.	Fair	- 2.0	Fair	+ ...
Spokane, Wash.	Slow	- 3.2	Fair	+ ...
Tacoma, Wash.	Fair	- 1.0	Fair	+ ...
Average	Fair	- 5.9	Fair	+ ...
11. El Centro, Calif.	Slow	- 6.1	Slow	- 4.0
Los Angeles, Calif.	Slow	- 3.1	Fair	+ ...
San Francisco and Oakland, Calif.	Fair	+ 0.6	Slow	- ...
Santa Barbara, Calif.	Fair	+ 1.0	Slow	- 8.0
Average	Fair	- 1.9	Fair	- 6.0
12. Vancouver, B. C.	Slow	- 2.5	Fair	+ ...
Victoria, B. C.	Good	+ 5.0	Fair	- 5.0
Average	Fair	+ 1.2	Fair	+ ...

\*NOTE: Figures for Texas cities, with the exception of Borger, from Bureau of Business Research, University of Texas.

# A Collection Procedure For the Three-Pay Plan

By J. A. BARNES

Credit Manager, Louis Appel Co., Louisville, Ky.

PAPER, printers' ink and time have been consumed (lots of them) talking and discussing pro and con Extended-Payment Plans, Ten-Pay Plans, Twenty-Pay Plans or "what have you."

But, from observation and facts, I would rather have a Three-Pay Plan account than a so-called thirty-day charge account. Locality may alter this argument but for Louisville, in ninety per cent of cases, nothing is said or done by the merchant other than to send itemized bill and statements for a period of from sixty to ninety days for payment.

However, on the three-pay plan, requests for payment can be and are made shortly after the tenth of month, when terms have been violated.

Our procedure is demonstrated by the forms reproduced in the plate on the opposite page. *Figure 1* is our application which must be signed by applicant.

On the first of month following purchase an itemized statement is mailed (*Figure 2*), listing amount due on the tenth. On the fifteenth of the month all Extended

Accounts are checked for payment and if no payment has been made *Figure 3* is mailed; if less than one-third payment has been made, *Figure 4* is mailed.

If no response during the previous month, statement (*Figure 2*), showing amount due on tenth, *also amount past due*, is mailed on the first. On the fifteenth (if no payment) form shown in *Figure 5* is mailed, followed up ten days later with the letter shown in *Figure 6*.

On the first of the third month, statement (*Figure 2*) is mailed showing entire amount past due. On the 12th of the month, if no payment has been received nor arrangements made the letter shown in *Figure 7* is mailed and in the majority of cases special delivery mail is used.

If five notices fail to extract payment or reason for nonpayment, then ask yourself this question: "When should an account be placed with your Association or other channels for collection?" The answer can only be: "As soon as my method of procedure fails to collect or obtain satisfactory arrangements."

## Credit Office Lay-Out of James McCreery & Co.

REPRODUCED below, through the courtesy of Mr. H. E. Armstrong, Credit Manager of James McCreery & Co., New York City, is the floor plan of that company's credit office lay-out.

Please note that entrance to the department is from the sales floor as shown in the upper left-hand corner of the drawing.

A more compact yet more orderly arrangement is hard to visualize, as a little study of this plan will show.

There are no partitions between the desks of the credit

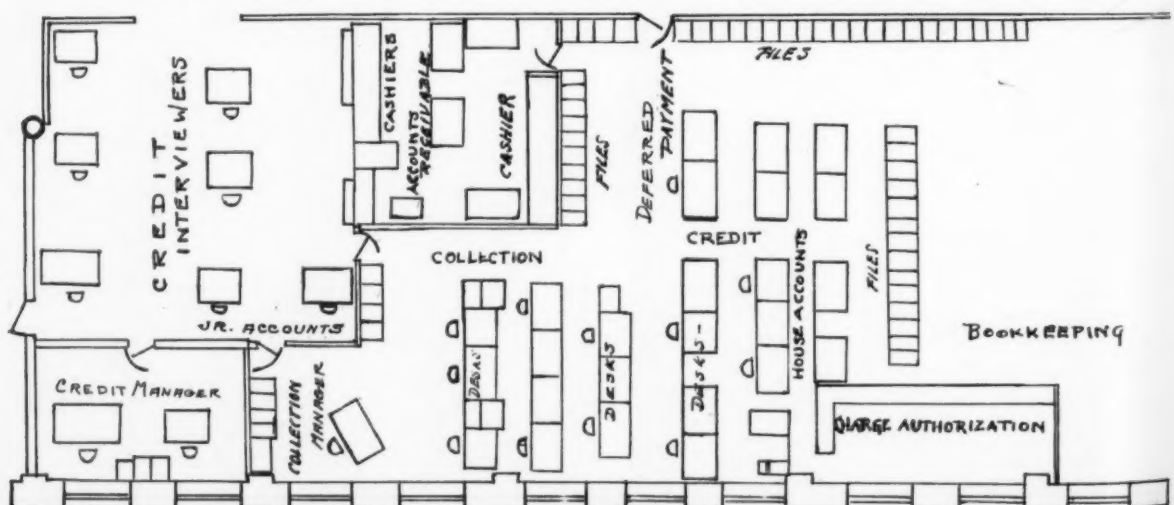
interviewers but they are far enough apart to assure privacy.

Please note, also, that the cashiers' windows face the reception room of the credit office.

The same lay-out can be followed, with changes as needed, for stores of comparable size.

Likewise, stores of smaller volume can also use it by reducing proportionately the space allotted for the various units.

We are reproducing it here in the hope that our members will find it of interest.



Louis Appel Co. offer this extended charge account service with the understanding that purchases shall not exceed a total of two weeks salary, as shown on this application, at any time.

If the customer desires to charge merchandise in excess of this amount, the difference may be paid in cash or an application may be made for our regular charge account service.

It is understood and agreed that all bills are due and payable in three equal payments. Payable respectively on the tenth day of each of the three successive months following date of purchase. I hereby agree that if any installment is not paid by me on the due date hereof, then all future and unpaid installments shall immediately become due and payable as though the same had accrued and matured on and as of the date of such defaulted payment.

I certify that the information furnished you in this application is true and correct.

No 1671

SIGNATURE

FULL NAME		DATE	
RESIDENCE ADDRESS		PHONE	
EMPLOYED BY	LENGTH OF TIME	YEARS	MO.
BUSINESS ADDRESS		PHONE	
BANK		<input type="checkbox"/> SAVINGS ACCOUNT <input type="checkbox"/> CHECKING ACCOUNT	
OTHER CHARGE ACCOUNTS			
OTHER CHARGE ACCOUNTS			
NAME AND ADDRESS OF NEAREST RELATIVE			

Statement represents purchases on our three pay plan.

Amount due tenth of month \$

Amount **PAST DUE \$**

LOUIS APPEL CO.

WE DO NOT ALLOW ANY DISCOUNT

All Charges and Credits after 25th of the month will appear on following month's statement.

PAY LAST AMOUNT IN THIS COLUMN

LOUIS APPEL CO.



MAY we direct attention to your Extended Charge Account on which, according to our records, the matured amount indicated below has not been received.

This is probably just an oversight, as statement mailed on the first specifies one-third due on tenth of each month following. Your remittance by return of mail is anticipated.

Very truly yours,  
LOUIS APPEL CO., Inc.

APPEL'S  
LOUIS APPEL CO.

425 Fourth Avenue  
LOUISVILLE, Ky.



Has it not the understanding when purchases were made on our Extended charge account you would pay one-third on the tenth of each month following?

You have been previously notified that payments were not being made as agreed. We, therefore, expect remittance for the portion of your account that is over due by return of mail or a valid reason for withholding payment.

Yours very truly,

LOUIS APPEL CO., INC.

JAB:R

Credit Manager.

APPEL'S  
LOUIS APPEL CO.

425 Fourth Avenue  
LOUISVILLE, Ky.



Your failure to respond to my letter regarding your past due account amounting to \$ has been brought to my attention.

While we wish to show every consideration in the collection of our accounts, we feel that this account has been badly neglected. If there is any reason why you are withholding payment please advise us at once so that we may make any necessary adjustment.

Unless we hear from you within a period of ten days, we shall find it necessary to take action toward the collection of this account.

Yours very truly,

LOUIS APPEL CO., INC.

JAB:R

CREDIT MGR

TERMS: PAYABLE \$ EACH TENTH OF MONTH.



WE thank you for your recent remittance, which we have applied to your Extended Charge Account, but as this credit does not cover the amount due, we call your attention to the terms of the plan, as it is important that payments be made as specified.

Therefore, we would appreciate your check at this time for the amount in arrears.

Very truly yours,  
LOUIS APPEL CO., Inc.

TERMS: PAYABLE \$ EACH TENTH OF MONTH. AMOUNT OVERDUE \$



YOU have not replied to our previous notice calling attention to the amount in arrears on your Extended Charge Account.

The plan contemplates the original arrangement the full limit of time extension that can be granted, and to maintain the system to a mutual advantage requires your punctual co-operation in meeting each maturity.

Therefore, your remittance to bring the account up to date is expected and will be appreciated.

Very truly yours,  
LOUIS APPEL CO., Inc.

AMOUNT OVERDUE \$

# What Helps Your Employer Helps You!

By JACK L. MINTON\*

Vice-President, Petway-Reavis Co., Nashville, Tenn.

THE subject that I have chosen, "What Helps Your Employer Helps You," would be equally true if the subject were reversed. Your interests are so closely tied together that one cannot benefit without the other being likewise affected. And whether you agree with me or not, I believe the subject matter is deserving of your serious consideration.

The late Arthur Brisbane, in one of his articles written in 1932, wrote: "What this country needs to lift itself out of the depression is more thinking. If all of our people would stop and think for one hour each day we could cure all of our ills in a very short time." What he wrote then is equally as true today.

We are living in a changing world, and we humans are probably more confused today than at any time in our lives and if there ever was a time for sane and constructive thinking, it is now. We need it to help us build within and to protect ourselves from outside forces now working against us.

Let's take up your side of the situation first and see what we can suggest to help you. Let's see what we can suggest that will enable you to help your employer. A combination of which spells your success, and that's one thing men have looked for, I suppose, since man came on this earth.

A lot of people think there's a secret to success. Proof of that is this: thousands of men every year try schemes that someone guarantees as the key to success in six months, or some other period just as impossible. However, when you get the right slant on success you find that the secret is not mysterious—it's not even complicated—for the real secret is in holding fast to a few simple rules, and it is here some of us fall short.

I think it's a fact that a good many of us miss success because we haven't seen the most important thing. The men who work hard at what they're given to do and think no further are not the ones who win. They may think that hard work leads to success, and surely it is necessary, but there's something more.

I'd say the most important rule of all is keeping up with your business—knowing what is being done by others in your field. Holding fast to that rule means a lot of constant, hard study of newspapers, magazines, good books, correspondence courses; in fact, anything that you can get your hands on that has to do with your business. Develop yourself to the point that you are capable of handling the responsibilities of the job ahead of you.

The fellow who has the intelligence to see the value of study and the courage to settle down and practice it finds the pot of gold the rest of us wish for and talk about. It seems to me that the whole thing boils down to this one thing—alertness to everything around you that's new and changing and an honest desire to learn something from everything and everybody.

Training for success means a sacrifice in both time and

money, but it is most assuredly the price that you will have to pay to win success. Great doctors, lawyers, architects or engineers never became great without study and training, and if you were to ask the leaders in these professions they would tell you, without hesitation, that their college training merely gave them the foundation.

The real skill and knowledge in their profession came from constant study after graduation. The difference between leaders, followers, and those who merely wish for success, depends on when they stop studying and learning. *The leaders never stop.*

I think it is generally recognized that to win success in business today requires more skill and more knowledge than ever before, and judging from all present trends and tendencies, the future is going to be even more exacting.

What are you, as an individual, doing to equip yourself to meet such a situation? Some of you may think that luck plays an important part in the lives of successful men, and to a certain extent it's true, but all of the luck in the world will not make a success out of you without proper training and proper application. Even if you get a good break, how many of you have equipped yourself to take advantage of your breaks?

Every employer of labor can use to advantage men with initiative and ability. Yet, how often do we see a vacancy created in a growing concern, where the management has to go outside of the organization to find a man capable of handling the position? Do you think that your employer likes to do a thing of that kind? My honest opinion is that he dislikes it very much, but in many cases there is no alternative. He has a job to be done, and in this day of highly competitive business, he cannot afford to experiment and take chances.

There is a way of meeting that situation, but as I said before, it demands action on our part combined with patience that far too few of us possess. We all have unlimited opportunities of learning, but far too many of us assume this attitude: "What good is all of this stuff going to do me?" And I'd say that no one can answer that question but you.

We can only say that it took mankind a thousand years to learn this thing, and if you learn it now you are richer by a thousand years. It took mankind years to learn that, and if you can learn it now you can start abreast of your time. If you do not take advantage of these opportunities offered you now, *how and when do you expect to catch up?*

There's not a single fact that you learn, or a tiny discovery that you make today that may not stand forth even a quarter of a century from now as the very thing you need in some crisis. Looking ahead a few years—trying to see what might come in the world of merchandising, banking or education and preparing for any position—demands that you acquire all possible equipment so that you will be ready when the opportunity faces you.

The worst thing that can happen to some men is to get a promotion, for they are not ready for it. Many a man

\*An address before the Joint Conference of the Third and Fourth Districts, Nashville, Tenn., February 13-16, 1938.



can sell himself, but when he has done that, he is through. He has nothing more to deliver. His opportunity is his defeat. He is not ready. He failed to invest in himself wisely.

Serious thinking was too hard on his head. Good books required too much of his time. He wanted to be a passenger in the boat of life, but pulling his own way blistered his hands. He simply wished for success, and when his hour arrived, he was found wanting. Wouldn't it have been much wiser and better for all parties concerned if he had equipped himself to meet the emergency?

You cannot expect your employer to take a sincere interest in you, unless you display a sincere interest in him, for "What Helps Your Employer Helps You."

Now, let's take up the other part of our subject matter—protecting ourselves from outside forces now working against us. Perhaps one of the greatest forces that we have to combat today, is fear—not only fear of what has been done to regulate and intimidate your employer by governmental actions, but also fear of what may happen in the future.

All of us go up or down with business, and when business goes down, what happens to you? Wages decline—jobs become scarcer—savings lie in the bank vaults instead of being put to use. Instead of having more, you (and everybody) have less.

There was a time when we took all of this for granted. We were proud of the American business system because it paid more in beneficial results than any other business system in the world. The employer, the worker and the investor all pulled together, and they took their share of the profits or loss in the good old American manner.

It seems all that has been changed in the last few years. We have gotten a "new deal," whereby American business has been handicapped by unlimited taxation, political regulation and government competition. It seems that we have now arrived at the time when all of us should do some serious thinking and all of us assume our full share of individual responsibility.

Before we condemn the American business system that has done so much for you and the rest of us, let's take an inventory. The U. S. has an automobile for every four and one-half persons, England one for every twenty, Germany one for every forty-nine, and Russia one for every four hundred and seventy-nine.

Take the radio, another barometer: in the U. S. approximately 18 per cent have radios in their homes; in England only 14 per cent, in Germany 11 per cent, in Russia 2 per cent, and in Italy only 1 per cent.

Take any yardstick you please—telephones, electrical appliances, bread or milk, the U. S. has more than any other country in the world, man for man. Put all of these things together and call them the American standard of living. You'll find it the highest the world has ever known.

So, when you look into the facts, the American business system has made America the greatest nation on the earth, and you'll find that it hasn't done so badly for you. Now, don't misunderstand me, I am not pessimistic about the future, but I do like to face facts. It's human to make mistakes, but unpardonable to perpetuate them. So let's take up the matter of extravagance in public spending, for I believe all of you will agree that there is some

justice in demanding that we live within our income, not only as individuals, but in political subdivisions as well.

Getting down to cases: Let's take up the matter of corporation taxes and see what it is costing us to support the present program. Some ten years ago the average small corporation paid 12¾ per cent of its net earnings to the Federal government, and that was about all of the direct tax on net income that your employer had to pay.

But in the last few years that has all been changed. Today we pay a normal income tax of from 8 to 22 per cent—6 to 12 per cent excess profits tax over and above 10 per cent of the declared valuation, and if your employer wants to be thrifty and save for a rainy day, rather than pay out all of his income for dividends, he is required to pay from 7 to 27 per cent on undistributed profits.

To that has been added a Capital Stock Tax—State and Federal—an assessment against capital investment, a state Excess Profits Tax, Unemployment Insurance Tax, and an Old Age Benefit Tax, all of which will mean little or nothing to any of the great middle class of people to which you and I belong.

All, but the last two mentioned, are direct assessments against your employer and on the present set-up these last two mentioned taxes are going to eventually mean a 9 per cent levy against your salaries. If not direct, most certainly it will be indirectly done because your employer's net margin of profit cannot stand this additional burden, for already his margin of profit is so small that it is nearing the vanishing point, and the cost of distribution due to these enormous burdens is already as high as the traffic will bear.

It's no longer your employer's problem alone. It has arrived at the point that it is your problem as well. Some of these days, even these complicated problems of taxation will be more widely understood by the employees of every organization; for any administration or law that punishes your employer for saving money and makes thrift a vice is bound to be rejected eventually by every workingman, when its far-reaching possibilities are more generally understood.

Keep this thought in mind always, "that what affects your employer today, is most assuredly going to affect you in the future." You go up or down with him. The business machinery isn't automatic. Somebody has got to run it, and believe me, running it is no child's play.

## Current Credit Trends

(Continued from page 3.)

I don't quite agree but I do think it's going to be a good year for the credit man to be promotion-minded and to sell for his store. And an active, alert, courteous credit office can accomplish wonders in selling—with no sacrifice of good credit policies.

I have said before that you gentlemen have important tasks facing you this year. The importance of your job is indicated by Daniel Webster's famous saying:

"Credit has done a thousand times more to enrich mankind than all the gold mines in the world. It has exalted labor, stimulated manufacture, and pushed commerce over every sea."

I wish you well at your difficult task!

# The Nation's Collection Percentages

DISTRICT AND CITY	DEPARTMENT STORES (Open Accounts)						DEPARTMENT STORES (Installment Accounts)						WOMEN'S SPECIALTY STORES						FURNITURE STORES (Installment Accounts)						JEWELRY STORES						
	1938			1937			1938			1937			1938			1937			1938			1937			1938			1937			
	AV.	HL.	LO.	AV.	HL.	LO.	AV.	HL.	LO.	AV.	HL.	LO.	AV.	HL.	LO.	AV.	HL.	LO.	AV.	HL.	LO.	AV.	HL.	LO.	AV.	HL.	LO.	AV.	HL.	LO.	
Boston, Mass.	50.8	62.8	42.1	49.4	65.8	43.1	16.1	28.3	15.3	14.9	22.3	13.2	47.2	58.0	40.3	53.7	65.0	38.0	—	—	—	—	—	—	—	—	—	—	—	—	—
Providence, R. I.	46.7	53.0	43.0	45.9	53.2	45.0	12.9	14.8	11.0	12.9	13.8	12.0	—	—	—	—	—	—	—	10.7	—	—	—	—	—	—	—	12.1	—	—	—
Lynn, Mass.	49.2	56.0	42.4	48.8	59.0	38.7	—	—	—	—	—	—	—	—	—	—	—	—	14.1	17.5	10.8	16.1	20.5	11.8	—	—	—	—	—	—	—
Springfield, Mass.	54.8	60.7	48.8	57.4	65.1	49.6	15.4	20.4	10.3	17.4	22.5	12.4	52.1	59.8	44.3	52.0	56.7	47.5	—	—	—	—	—	—	—	—	—	—	—	—	—
Worcester, Mass.	47.3	49.2	42.4	48.2	54.0	46.0	22.7	25.0	17.2	25.0	25.1	19.4	38.9	40.8	35.0	43.8	52.0	28.0	—	—	—	—	—	—	—	—	—	—	—	—	—
New York City	49.5	63.2	42.0	50.2	61.6	42.2	18.0	25.3	15.0	20.3	25.0	13.4	45.8	58.0	21.5	43.6	57.1	21.1	—	—	—	—	—	—	—	—	—	—	—	—	—
Pittsburgh, Pa.*	—	—	—	48.4	51.5	43.3	—	—	—	19.8	28.8	14.6	—	—	—	47.8	51.5	40.0	—	—	—	—	—	—	—	—	—	—	—	—	—
Reading, Pa.	53.7	54.7	53.7	51.2	53.1	49.1	—	21.3	—	—	23.5	—	—	33.0	—	—	38.0	—	14.5	19.0	10.1	—	9.1	—	—	—	—	—	—	—	—
Syracuse, N. Y.	39.7	44.6	39.2	44.2	44.3	44.1	16.1	18.8	16.0	18.3	24.4	17.0	45.8	46.7	45.0	47.2	50.2	44.3	—	11.0	—	—	13.1	—	—	—	—	—	—	—	—
Utica, N. Y.	—	—	—	—	—	—	—	—	—	—	—	—	41.0	48.4	35.6	39.9	47.5	34.7	10.7	11.1	10.3	11.1	13.0	9.8	—	—	—	—	—	—	—
Washington, D. C.	40.3	48.8	34.1	41.3	50.5	34.7	14.3	16.0	12.6	13.8	14.8	13.2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Huntington, W. Va.	57.9	60.6	55.1	56.4	62.1	50.8	8.4	8.7	8.0	9.5	10.9	8.1	—	—	—	—	—	—	—	7.9	—	—	15.1	20.1	10.2	—	—	—	—	—	—
Baltimore, Md.	43.2	50.8	35.6	43.0	46.1	37.6	16.1	24.3	9.6	15.8	24.8	7.0	40.6	43.6	38.0	43.6	45.8	40.9	—	—	—	—	—	—	—	—	—	—	—	—	—
Birmingham, Ala.	42.4	46.0	40.2	42.8	47.4	34.6	17.1	17.8	15.8	20.0	22.0	18.6	43.6	44.0	43.3	47.7	50.0	45.3	11.3	13.0	10.0	11.8	12.5	11.0	—	—	—	—	—	—	—
Atlanta, Ga.	33.6	35.6	31.6	36.1	38.0	34.3	14.4	14.8	14.0	15.7	17.5	13.9	32.7	34.5	30.9	37.1	40.4	33.9	11.7	12.3	11.2	12.4	13.2	11.7	—	—	—	—	—	—	—
Kansas City, Mo.	72.1	76.8	67.4	68.8	76.1	57.6	—	21.2	—	—	18.3	—	48.0	64.1	34.0	55.0	63.7	50.8	—	13.4	—	—	11.0	14.0	10.8	—	—	—	—	—	—
St. Louis, Mo.	50.9	59.5	45.6	54.2	63.7	47.4	18.8	22.2	17.1	21.0	24.5	19.1	45.5	52.4	38.1	46.4	53.2	38.5	—	—	—	—	—	—	—	—	—	—	—	—	—
Little Rock, Ark.	40.4	45.5	39.6	40.9	43.1	38.7	23.5	29.2	18.3	22.3	24.8	19.8	—	—	—	—	—	—	—	10.0	—	—	—	—	—	—	—	—	—	—	—
Cleveland, O.	44.4	50.1	38.3	48.8	49.5	42.9	16.5	22.8	11.9	21.3	37.3	12.7	45.7	48.4	40.4	45.6	47.7	44.5	8.4	8.7	7.8	11.7	12.1	9.5	—	—	—	—	—	—	—
Cincinnati, O.	48.2	55.7	38.2	49.8	54.0	43.4	17.2	28.0	11.7	17.9	21.7	15.3	48.6	54.7	42.2	50.1	56.3	44.4	—	—	—	—	—	—	—	—	—	—	—	—	—
Columbus, O.	43.1	49.5	42.0	46.1	54.1	45.0	13.6	14.0	13.3	14.6	15.5	13.8	44.8	47.6	38.9	51.2	53.5	48.9	24.0	38.0	10.0	27.6	45.0	10.3	—	—	—	—	—	—	—
Toledo, O.	46.0	48.5	41.4	48.3	52.2	45.9	16.9	18.8	15.8	18.8	19.5	18.2	39.8	50.0	28.0	46.6	55.0	29.0	—	—	—	15.1	18.9	11.3	—	—	—	—	—	—	—
Youngstown, O.	39.2	40.0	38.4	46.3	46.6	46.0	13.7	14.6	12.7	17.2	18.3	16.0	33.6	48.8	18.3	43.0	55.5	30.4	11.1	12.3	8.4	19.9	24.0	16.5	—	—	—	—	—	—	—
Detroit, Mich.	50.3	63.7	37.8	51.9	64.6	40.9	19.6	25.1	12.2	22.2	26.4	14.8	49.9	55.2	45.2	50.1	56.4	40.4	—	—	—	—	—	—	—	—	—	—	—	—	—
Grand Rapids, Mich.	42.9	45.8	40.4	50.8	54.6	46.0	—	—	—	—	—	—	43.2	63.0	25.9	47.3	49.7	44.8	13.8	16.2	12.4	17.1	23.4	10.2	—	—	—	—	—	—	—
Milwaukee, Wis.	44.6	50.7	41.4	48.1	57.3	46.2	19.8	20.2	17.3	20.1	21.9	19.6	—	54.0	—	—	56.5	—	—	9.4	—	—	—	—	—	—	—	—	—	—	—
Springfield, Ill.*	34.5	53.0	16.8	33.2	42.1	18.0	—	—	—	—	—	—	33.5	37.9	29.0	35.0	41.0	29.0	19.5	30.6	9.0	20.9	30.5	14.5	—	—	—	—	—	—	—
Duluth, Minn.	49.6	58.8	40.4	44.8	54.7	34.9	—	30.2	—	24.2	26.0	22.5	40.7	59.4	36.0	43.0	60.3	42.0	—	—	—	—	—	—	—	—	—	—	—	—	—
St. Paul, Minn.	52.5	59.3	37.5	54.9	58.2	51.3	—	—	—	—	—	—	39.3	48.0	32.0	45.6	58.2	32.0	—	—	—	—	—	—	—	—	—	—	—	—	—
Minneapolis, Minn.	63.6	69.1	61.2	65.1	70.8	60.0	20.3	25.3	14.0	20.4	24.5	13.5	53.9	55.7	52.1	56.1	57.6	54.7	—	9.3	—	—	10.5	—	—	—	—	—	—	—	—
Davenport, Ia.	53.0	56.0	50.0	51.9	52.2	51.6	18.4	20.4	16.3	18.1	19.1	17.0	—	—	—	—	—	—	—	15.3	—	—	—	—	—	—	—	—	—	—	—
Cedar Rapids, Ia.	52.5	53.0	43.0	52.6	53.5	47.7	20.9	21.0	20.8	24.0	30.0	18.0	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Des Moines, Ia.	34.5	48.3	31.1	37.6	47.8	31.3	—	11.0	—	—	12.9	—	45.0	50.1	43.6	51.7	51.8	46.5	—	—	—	—	—	—	—	—	—	—	—	—	—
Sioux City, Ia.	46.0	46.1	39.3	46.8	47.0	38.0	17.6	20.0	14.9	17.5	20.0	15.2	—	40.5	—	—	42.0	—	—	17.0	—	—	—	—	—	—	—	—	—	—	—
Omaha, Neb.	—	46.2	—	—	47.8	—	—	12.9	—	—	15.2	—	41.0	42.9	39.0	42.4	43.8	40.2	—	—	—	—	—	—	—	—	—	—	—	—	—
Tulsa, Okla.	54.6	58.1	52.0	59.5	60.6	57.0	16.0	19.5	15.2	15.7	20.9	15.0	—	40.6	—	46.9	48.4	45.4	—	—	—	—	—	—	—	—	—	—	—	—	—
San Antonio, Tex.	41.7	46.8	36.5	40.6	43.1	38.1	11.8	13.7	9.9	12.3	13.8	10.7	44.0	48.0	41.3	47.8	49.4	46.7	—	12.6	—	10.4	11.1	9.7	—	—	—	—	—	—	—
Denver, Colo.	42.1	43.4	38.7	45.1	52.4	43.3	14.5	14.7	11.4	15.5	17.4	11.2	40.6	42.5	38.7	44.5	45.7	43.7	9.2	9.9	8.5	9.5	10.5	8.6	—	—	—	—	—	—	—
Salt Lake City, Utah	52.4	56.2	47.3	54.4	61.7	49.2	23.7	27.8	19.1	24.0	29.3	19.4	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Casper, Wyo.	—	111.6	—	—	115.0	—	—	39.5	49.0	30.0	42.0	50.0	34.0	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Portland, Ore.	39.4	59.6	34.4	40.1	73.1	34.1	13.6	19.0	13.4	14.7	19.2	13.4	40.2	43.0	36.9	43.5	45.0	42.0	—	—	—	—	—	—	—	—	—	—	—	—	—
Spokane, Wash.	48.8	49.3	48.3	56.2	6																										





# Texas' Credit Schools-- Avenues to Greater Accomplishments

By ROBERT A. ROSS

Manager, Credit Sales, Neiman-Marcus Company, Dallas; President, Associated Retail Credit Men of Texas; Director, National Retail Credit Association.

**S**EVEN hundred ninety-four credit office workers are enrolled in spring credit schools in Texas! Under the sponsorship of the Associated Retail Credit Men of Texas, Credit Schools are now in operation in Dallas, Fort Worth and Houston.

The Dallas Retail Credit Men's Association opened the Dallas School on March 10th with an enrollment of 260. This is the seventh school conducted in Dallas and the largest in enrollment and attendance.

Fort Worth opened its school on April 7th. This is the third school conducted by the Fort Worth Retail Credit Men's Association, 186 students being enrolled.

The School in Houston, the second to be held by the Houston Retail Credit Association, opened on April 11th, with the largest enrollment of any credit school within our knowledge—350 students.

In San Antonio, the San Antonio Retail Credit Men's Association held one of the most successful schools ever held in the State during 1937. This school had an enrollment of 230 students. Another school will be held there in the Fall of this year.

This educational movement in Texas is gaining momentum, as evidenced by the fact that Corpus Christi, Waco, Temple, Marlin and a number of other representative communities over the state have communicated with our State headquarters requesting detailed plans and information for organizing schools in their communities during the Fall season.

Students enrolled in these schools come from practically every line of business and profession where consumer credit is extended. The course of study extends over a period of eight weeks, except in the Houston school, where the term is six weeks.

A study period of two hours one evening each week is provided. This period begins at 6:45 P.M. Forty-five to fifty minutes are devoted to a lecture by a senior credit sales manager who is an authority on the subject covered by the particular lecture, or a capable attorney, if the study period is on a subject of law.

Before the lecture begins, a list of ten to fifteen printed questions covering the principal points contained in the lecture is handed to each student. When the lecture is finished, the remainder of the study period is devoted to a discussion covering the prepared questions and any other related questions that arise.

The announcements of these schools which we have used detail the course of study and give a brief history of the speaker handling each assignment. The response to this type of announcement has been such as to bring about the large enrollments in the schools now in progress without a campaign of personal solicitation.

That these schools, year after year in Texas, have shown increased attendance is evidence of the success and worthiness of the endeavor and of the interest that exists in specialized education in the field of consumer credit management.



*Group photograph of one of the Dallas Retail Credit School classes.*



It is, likewise, news when some of the leading authorities in the country lecture before these schools; the press is glad to carry such news items. These news items establish in the public mind the high ideals of our Associations and the principles for which they stand. The establishment of this in the public mind is a mighty factor in creating and maintaining our community credit policies, designed to build a better credit structure.

# Credit News Flashes--

## Personal and Otherwise

### Eleventh District Has Successful Meeting

The Annual Conference of the Eleventh District, held at the Biltmore Hotel, Los Angeles, Calif., was very successful, with an interesting program and nearly 200 in attendance. Officers and directors elected are: President, Earl G. Casey, Hale Bros., Inc., Sacramento, Calif.; Vice-President, Arthur E. Kaiser, Bullock's, Los Angeles; Secretary-Treasurer, Harry Bunker, The H. C. Capwell Co., Oakland.

Directors: Frank Batty, Hale Bros. Inc., San Francisco; J. P. Collin, Korrick's Dry Goods Co., Phoenix, Ariz.; W. W. Weir, The May Company, Los Angeles; Miss Dorothy Conley, Harry Coffee, Inc., Fresno; Frank E. Lee, Union Oil Co., San Diego; and S. E. Edgerton, Broadway Department Store, Inc., Los Angeles.

\* \* \*

### Notice to Members of the Third and Fourth Districts

A rumor has gained circulation in the Fourth District to the effect that the date for the 1939 Conference has been set for April 9, 1939, which is Easter Sunday.

*This is incorrect!* The 1939 Conference of the Third and Fourth Districts will not be held on the week-end of April 9, but will be held some week-end in April subsequent to April 9. *Exact dates will be announced later!*—C. E. Moorman, Secretary, Third District, N. R. C. A., Jacksonville, Fla.

\* \* \*

### Position Wanted

CREDIT AND COLLECTION MANAGER—Eight years' experience in handling retail credit and collection problems, coupled with accounting training and experience. Age 30. Married. Address Box 51, CREDIT WORLD.

### District Thirteen's Conference

District Thirteen held a most outstanding and enthusiastic conference at South Bend, Ind., April 25 and 26. An excellent program and lavish entertainment had been prepared.

Officers and directors elected for the coming year are: President, John W. Waterfall, Wolf & Dessauer, Fort Wayne, Ind.; Vice-President, C. L. McCalip, P. A. Bergner Company, Peoria, Ill.; Secretary-Treasurer, Harry Dreis, L. Klein, Inc., Chicago, Ill.

Directors: L. E. Gillhouse, Halbach-Schroeder Co., Quincy, Ill.; H. J. Kennelly, Indianapolis Power & Light, Indianapolis, Ind.; Roy Short, Milwaukee, Wis.; Mrs. Verne A. Zimmerman, Ellsworth's, South Bend, Ind.; F. R. Stanford, Montgomery Ward & Co., Chicago, Ill.; and Ford R. Larrabee, Ball Stores, Inc., Muncie, Ind. Next year's conference will be held in Indianapolis, jointly with that of the Fifth District.

\* \* \*

### Small Department Stores' Group Meeting At Pittsburgh Convention

This year, instead of meeting in one group as has always been the custom, the department stores will meet in three groups: Group One, stores doing a volume up to 2½ million dollars; Group Two, stores with volume of 2½ to 7½ millions; and Group Three, stores with volume over 7½ millions.

Louis Selig, Rosenfield Dry Goods Co., Baton Rouge, La., *Chairman of Group One*, writes: "All credit men of stores in this group are urged to attend the meeting so we can discuss our problems in a more concrete way." He also asks that all questions for this group be sent to him so they can be included in the list of questions to be discussed before this group.

### Registration Card

Twenty-Sixth Annual Convention, Pittsburgh, Pa., June 21, 22, 23, 24, 1938

NATIONAL RETAIL CREDIT ASSOCIATION and  
ASSOCIATED CREDIT BUREAUS OF AMERICA

State \_\_\_\_\_ City \_\_\_\_\_  
Name \_\_\_\_\_  
Address \_\_\_\_\_  
Firm \_\_\_\_\_  
Will wife accompany you? \_\_\_\_\_ Railroad or auto? \_\_\_\_\_  
Hotel \_\_\_\_\_ (single or double room) at \$ \_\_\_\_\_ per day  
What group conference will attend \_\_\_\_\_  
Will arrive (exact date) \_\_\_\_\_ A.M./P.M. depart \_\_\_\_\_

Registration Fee for Delegates—including Banquet and Entertainment, \$10.00. For Wives of Delegates, \$5.00.

(Fill out and mail to W. B. McConnell, care Meyer, Jonasson & Co., Pittsburgh, Pa.)

## Register Now!

(Hotel William Penn  
is the official  
Convention  
Hotel)

Fill out the card  
and Mail it Now!

## Pittsburgh Convention

## Entertainment Program

(Continued from page 9.)

(\$1.50 up) or golf (\$1.50 greens' fee), at the Shannopin Country Club. The cuisine will meet all requirements, from the most exacting epicure to the average (credit) appetite. "Shannopin" is an all Summer "fairways watered" course of the most excellent quality. Reservations must be made to *Chairman* John K. Althaus, or *Vice-Chairman* Joseph L. Meyer, not later than 6:00 P.M. on June 21st.

### Wednesday Golf Committee

J. K. Althaus—*Chairman*.  
J. L. Meyer—*Vice-Chairman*.  
Dr. H. R. Decker.  
J. L. Gillespie.  
C. G. Kaessner.

4:00—Be Prompt. Automobile Tour for delegates and wives:  
Block House (built 1763). All that remains of Fort Pitt.  
Liberty Tubes. Second longest vehicular tunnels in America.  
Mount Washington. Bird's-eye view of the Golden Triangle and Industrial Pittsburgh.  
Liberty Bridge. Over the Monongahela.  
The Boulevard of the Allies.  
Duquesne University. One of Pittsburgh's great universities.  
Schenley Park. One of Pittsburgh's twenty-four parks.  
Phipps Conservatory. Largest building under glass in the world.  
Carnegie Institute of Technology. Outstanding for courses in Engineering.  
Carnegie Art Institute.  
Carnegie Museum.  
Carnegie Library.  
Cathedral of Learning of the University of Pittsburgh. The World's "largest Skyscraper Schoolhouse."  
University of Pittsburgh Stadium. Seats 80,000 comfortably.  
Stephen Collins Foster Memorial. Most magnificent tribute in the world to any musician.  
Heinz Memorial Chapel. An architectural masterpiece; containing the tallest stained-glass windows in the world.  
Soldiers' and Sailors' Memorial Hall.  
Mellon Institute. "The Scientific Laboratory of the World."  
Hotel Schenley. One of Pittsburgh's Aristocratic Hotels.  
Forbes Field. One of the world's finest concrete base-ball parks, and one of the first.  
Washington Crossing Bridge. Allegheny River at 40th Street. Concrete span marking point at which George Washington crossed the Allegheny, December 28, 1753. The bridge is 2,400 feet long and was built at a cost of \$2,340,000, as a memorial to our first and greatest President, George Washington.

Thence—to Shannopin Country Club; subscription golf and dinner—*Chairman*, J. K. Althaus; or Automobile Trip to Sewickley Heights and South Park—*Chairman*, R. W. Sloan.

## THURSDAY MORNING

JUNE 23

9:45—Individual Shopping; visits to stores; Gulf Building Tower, etc.  
10:00—Special automobile trip to Fort Necessity (54 miles each way) for wives of delegates. It was at Fort Necessity that Colonel George Washington fought his first battle of the French and Indian War. *Chairman*—Miss E. J. Rowe. (Reservations to be made on June 22—on special card in entertainment booklet.)

## THURSDAY EVENING

7:00—Annual Banquet.

## FRIDAY MORNING

JUNE 24

See Ladies' Committee for special arrangements.

### Ladies' Committee

Mrs. A. R. Joyce, <i>Chairman</i> .	Miss L. Graham
Miss M. A. Schwalm	Miss M. M. Barton
Miss E. J. Rowe	Mrs. H. W. Coudriet

### Ladies' Reception Committee

Mrs. H. E. Wilson, <i>Chairman</i>	Mrs. W. B. McConnell
Mrs. C. Guy Ferguson, <i>Vice-Chairman</i>	Mrs. T. L. Ford
Mrs. A. R. Joyce	Mrs. C. W. Orwig
Mrs. A. C. Dunn	Mrs. C. G. Kaessner
Mrs. R. W. Sloan	Mrs. Leslie Waddill
Miss M. M. Barton	Mrs. J. A. White
Miss M. A. Schwalm	Mrs. B. J. Lindberg
Miss E. J. Rowe	Mrs. H. C. Engel
	Mrs. R. C. Chandler
	Mrs. Felix Weil

Louis Selig, for a number of years Controller and Credit Manager of Rosenfield Dry Goods Co., Baton Rouge, La., is now Treasurer of that firm.

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# Rental Credits and Collections

By B. F. PHELPS

Credit Manager, Shryock Realty Co., Kansas City, Mo.

THE old-fashioned rent collector, like the old method of passing on credit, has disappeared. You will probably remember him. He had a sour and wrinkled face, with a long hooked nose. He wore a high hat, a stiff collar and in any weather carried an umbrella, perhaps more in fear of his tenants than of a threatening rainstorm. From door to door he made his way, his itching palm extended for rent.

Times have changed. In the old days the landlord usually was the owner of a few properties, scattered about town. He was his own decorator, plumber, repair man and rent-collector. He was not trained in any one of the services he was expected to render the tenant, hence the tenants were disgruntled, dissatisfied and resentful toward paying the rent. This type of landlord's only thought in mind was to collect the rent. Now, however, we have an entirely different perspective.

Gradually, there became a need for agencies specialized in property management brought about by the tremendous volume of property owned by corporations and insurance companies representing their very assets, also out-of-town individuals who could not look after their properties in far distant cities. With this came the need for professional men, who specialized in the various functions of the property management business.

It was discovered, as we have discovered in our business, because of the small profits received for management of properties, that it was necessary to educate tenants so that it would not be necessary to assume additional expense of hiring collectors but in their place have trained experts who could revise the old methods of collection to a systematic collection follow-up through correspondence and the telephone.

By means of a collection system, well suited to prompt payments, tenants are encouraged to form the habit of paying when due. Thus, bad debt losses are reduced to a minimum. It was also found that money was lost through irresponsible tenants by reason of the fact that there had not been any method used in the past in the selection of tenants and that something must be devised to enable the agent to segregate the "wheat from the chaff." This brought the credit application.

Some real estate companies have frequently been afraid in the past to ask for a sufficient amount of information about a prospective tenant to make a careful investigation possible. They feared the prospect would become offended and rent something elsewhere. It has been our experience, however, that a really responsible and dependable person has no objection to giving references and signing a formal application to rent.



*"Renting an apartment or house to an applicant is extending him credit."*

He expects this when dealing with a reputable firm. He can't get light, water, gas or heat without signing an application. No retail store will open an account without a careful check of credit rating. Why should he expect a property owner to turn over to him an investment representing several thousands of dollars without sufficient information to justify credit? The answer is, "He doesn't." The good ones consider an agency that does business so loosely, incompetent. The bad ones soon learn that you are an "easy mark."

I have never yet had a really responsible and desirable tenant walk away as result of asking him to sign an application blank. It is not necessary to be offensive or "nosey" in the matter. When he says, "I want to rent the house at 1444 Grand," just pull out the old application blank and go to filling it out. When it is complete, hand it over the counter and say, "This is the applica-

tion to rent; sign right here, please." He signs.

First, we should obtain from him all the information necessary to enable us to formulate an opinion as to his worth and responsibility. This should be done with a formal application as mentioned. There are four cardinal principles which, if strictly adhered to, will very materially aid in the final decision when extending credit.

1. Identity: (Male—Female). Obtain the individual's name in full.

2. History: Where he is moving from, his landlord's name, address and telephone number. Employment: Name and address of employer.

3. Reputation: Obtain from him where he has secured credit.

4. Resources and Paying Record: This can only be properly obtained by securing a credit report on the in-



dividual from some reliable credit-reporting agency and giving them all the information you have obtained from the prospect. Of course, you cannot expect the applicant to give you all the charge accounts he has had. Some of them might be good and some not so good and, naturally, he will not reveal his bad ones, but the credit report will tell the story.

I feel the most important point in analyzing a credit report is the applicant's past paying record. If this is poor, it is not necessary to proceed further. Of course, it is also very necessary to analyze his salary and weigh this against his obligations. It may be he is overbuying. His liabilities may be such that the added obligation he is assuming will make it prohibitive for him to pay more.

The progress business has made, or may not have made in the last five years, in no way can change the applicant's status unless he advances with it, both from the standpoint of salary increases, or improvement in his paying record as conditions improve. Therefore, summarizing this entire paragraph, the prospect's reputation for payment is the paramount factor in deciding whether or not to extend him credit.

The foundation of the relation between landlord and tenant is the first contact between the manager, rental man, credit man and the prospect. The collection problems that confront the credit or collection department, as the prospect becomes a tenant, in the majority of cases can be traced to faulty foundation or more exactly through laxity in taking the tenant's application and the proper investigation of the prospect's paying ability.

No doubt, you have been confronted with the problem of explaining to the sales department the reason for rejecting a certain prospective tenant or applicant. Your answer should be that the only profitable rental is one which, over a period of time, pays according to terms. Slow accounts not only decrease the profits of a rental from the standpoint of the money invested in the unit rented but, also, increase the expense and overhead of the collection procedure, consuming time and expense that might be well applied to the collection of paying production. Slow accounts also retard the normal progress of all collections.

We do believe that credit letters, both granting credit and limiting credit, should have a sales element in them, this, however, being limited to your customer who is able to take care of his present obligations, but we do not believe this should be used in refusing credit as, in our case, credit is refused to the prospective tenant who does not take care of his obligations satisfactorily.

One should also keep in mind that he must build good will for his company. It is admitted that the customer who takes care of his obligation is in a position to contribute to the progress of the business directly and indirectly. Considering the attitude of the customer and his reaction to credit investigation—if indifferent he hinders himself as well as the company who accepts him.

If he proves to be no good it is not usually necessary to start an argument by telling him flatly that his credit is poor and his personal habits bad. He knows this and is ready to take a hint without argument. He can be told, or he can be written the following letter:

"Attached herewith please find our check for \$ . . . representing deposit made by you for rental of one of our

properties, which we are returning to you. We regret very much that it is necessary for us to take this position in the matter."

\* \* \* \* \*

The matter of keeping in mind future business, after refusing credit, depends largely on the applicant's credit record. We so construct our letter, informing him that his credit has been rejected. Should he be desirous of re-establishing his credit, he will come in to see us upon receipt of the letter and, should there be any dispute as to the account showing against him on his credit report, he is then directed to the local Credit Bureau, which goes over his credit report with him and when they feel that he has so adjusted himself, has made the proper effort and the necessary explanation as to why he allowed his credit to get into this condition, the Credit Bureau then calls us by phone, giving us the revised information so we can intelligently weigh the new information given and re-analyze the report. We have, many times, made good-paying tenants out of prospects that were formerly careless and indifferent in their paying habits.

Now, after your selected tenant is in the building, how are you going to keep him good? We begin with the knowledge that he is a human, but nearly all humans have more debts to meet and demands for money than they can meet promptly. This is especially true in this installment age. We also know that the average person thinks he can pay a bill next week or next month easier than now.

Ever since childhood, we have been taught to respect those who demand respect and business-like treatment, and to take advantage of those who were "easy" or inclined to be apologetic for asking what is due. The rent is due on a certain date in advance. That is the time it should be paid. No apology should be given for expecting it at that time. The tenant is in the wrong, if it is not paid as agreed. Take it for granted that he was telling the truth when he signed a contract agreeing to pay the rent promptly on the first day of the month.

Of course, some respect has to be shown in the case of higher class rentals. Most people feel that if their bills have been paid by the 10th of the month they are prompt. The retail merchants have established that practice. The rental man frequently has to fall in line or be considered offensive, with good high-class people. But if there is any evidence of "riding" or acting insulted because the rent is requested, it is just as well to explain definitely that the owner demands that you collect the rent promptly and that it can't wait on other bills.

It is better to have it out early in the game than to wait until a lot of rent is lost and go through the ordeal then. In the case of rents on the cheaper properties, occupied by day laborers, colored tenants and people that have no reserves, it is a case of getting it when due or not at all.

If a tenant seems to be falling behind, a close check-up should be made. If promises of future payments are made by him it is well to check the possibility of the income. The Retail Credit reports will show whether he is in trouble with other creditors. Employment can be verified and possibly the amount of present income. There is no use to permit a man whose income has been reduced to a point where a \$25 apartment would be a big load, to remain in a \$75 home and not keep paid up. Santa Claus seldom leaves house rent.

If your investigations show that your tenant is hopelessly lost there are three possible courses to follow: 1st. Put him out; 2nd. Take a note or charge off the back rent and start over and this, of course, usually requires the owner's consent; 3rd. If he is honest, but hard hit, put him into a place in keeping with his income.

Many of the collection problems are not caused by the acts or neglect of the agent. Properties have been taken over that were carelessly filled and still more carelessly administered. The owner or collector was apologetic and weak in his collection methods; the tenants are spoiled, they are grouchy because repairs and accommodations have been promised and not supplied.

Each of such cases must rest on its own merits. In some instances it is best to adopt a "hard" attitude from the start and force them out or into line with the company's policies. But in most cases the tenants will meet you halfway and really welcome firm, fair treatment.

We have found it necessary to accumulate approximately twenty-five form letters, which may be used as the case warrants, not only classifying these letters as to the collection need, which is ascertained by the tenant's credit standing but, also, to be able to follow the same tenant in the progress of collection over a period of time so that he will receive a different appeal each month, or each time he is contacted.

It might be well to bear in mind, however, that no collection follow-up is successful unless it is handled systematically. I have made it a rule to follow collections at regular intervals, beginning on the seventh of the month and following each collection every five days until it is paid.

Because of our great number of tenants and accounts, it is necessary for us to follow our collections from a volume standpoint and we are obliged to follow our collections—some with letters and others with statements; individually dictated letters are used only where a reply is necessary to some question the tenant has asked or where we wish to follow a promise that has been made of a future payment.

By being careful in the selection of tenants and using a systematic and rigid follow-up system, our company has been able to reduce our monthly arrearage from 35 per cent to less than 1 per cent and we have reduced our losses to practically nil.

The collection problems that confront the Collection or Credit Department after the prospect becomes a customer, in the majority of cases, can be traced to faulty foundation. "Credit reports are insurance policies." "The selection of good customers is good insurance." "One bad one, or one loss costs one hundred times more than the premium on one policy, therefore, why take chances."

If we wish to produce a yield on the money invested from a collection standpoint, we must be cautious in the selection of our tenants, bearing in mind that only the tenant who pays his rent produces an income for the owner.

The address of Edgar J. Kaufmann of Pittsburgh, on "Modern Merchandising" (at the Pittsburgh Convention) will be of exceptional value and benefit to every retailer, whether of large or small business volume. *Be on time for it!* It may not be published.—*Franklin Blackstone, General Chairman.*

## The Story of a Poem

To Mr. O. L. Johnson, Manager, the Department of Accounts, The Gano-Downs Company, Denver, we are indebted for the little poem reproduced below and also for the following story behind the poem:

"Randolph Hartley lived in Denver a few years and left here in 1898. When he left he owed Mr. Gano some money and also owed an account to the store. He went back to New York and obtained a position with the old *Life* magazine. (While in this position, he wrote the poem.)

"It was not until 1918 that he sent Mr. Gano the money that he owed him and also paid his account in full at the store. This was twenty years after he left."

The poem follows:

### *The Bills I Cannot Pay*

They rally round my bed at night,  
A grim and ghostly band.  
In tattered uniforms of white  
The gaunt battalions stand.  
I watch them march and counter-march,  
I hear their bugles play,  
As in review they pass me by—  
The bills I cannot pay.

At noontide when I walk abroad,  
And seemingly alone,  
They march in unseen companies,  
To other eyes unknown.  
But I can hear their stealthy tread  
Behind me all the day—  
This faithful body guard of mine,  
The bills I cannot pay.

And yet I would not part with them—  
If such a thing might be—  
For many are the stories  
That these statements tell to me:  
They whisper tales of other days,  
When all the world was gay—  
The days when I created them,  
These bills I cannot pay.

So leave me not, my trusty friends.  
Your songs delight my ears  
In hearing them I know again  
The joys of yester years.  
You bring the old time pleasures back  
In glorious array—  
And so I bless you every one,  
Dear bills I cannot pay.

Dedicated to  
Merritt Gano, Esq.  
1898-1918.

RANDOLPH HARTLEY.

## Position Wanted

MARRIED MAN—Ten years' credit and collection experience. Desires connection in automotive or kindred line. Prefers St. Louis connection. Address Box 33, CREDIT WORLD.

# Membership Race Now on Last Lap!

**D**ISTRICT TEN leads as we reach the final lap in the National Membership Race. This district—comprising the states of *Oregon, Washington, Montana, and Idaho*, and the territory of *Alaska* and the provinces of *British Columbia, Saskatchewan, and Alberta* in Canada—has reported 378 new members for the eleven months ended April 30.

## New Applications Must Be Mailed To Reach Us by May 31

All membership workers are warned that new membership applications must be mailed to reach us not later than May 31—to assure their being included in the final count. This is imperative, as our books are closed as of May 31.

If in doubt, we suggest that applications mailed during the last few days be sent by air mail.

District Twelve (*Pennsylvania, Delaware, Maryland, District of Columbia, Virginia and West Virginia*) is a close second with 346 new members. In third place is District Eleven (*Arizona, California, Nevada and Hawaii*) with 218 new members.

The standing of districts for the eleven months ended April 30 follows:

One	47	Seven	157
Two	150	Eight	145
Three	32	Nine	69
Four	84	Ten	378
Five	60	Eleven	218
Six	57	Twelve	346
Thirteen	79		

This makes a total of 1,822 new members. In addition, there were 34 reinstatements, 44 new credit bureaus, and 155 new subscriptions, making a grand total of 2,055.

## Thirteen New National Units

Thirteen new National Units (the largest number in recent years) were organized since the Spokane Convention. These are:

Battle Creek, Mich.	Laredo, Texas
Butte, Mont.	Lewiston, Ida.
Corvallis, Ore.	New Westminster, B. C.
Great Falls, Mont.	Santa Barbara, Calif.
Joplin, Mo.	Tekoa, Wash.
Indianapolis, Ind.	Tyler, Texas
	Victoria, Texas

All districts are now in full swing, as indicated by the new applications coming into the National Office daily. The final results will, naturally, hinge on the returns coming in during the last few days of the campaign.

So, we urge all membership workers to get on their toes and put that last ounce of energy into the campaign. *You know, it's usually that last spurt of enthusiasm that wins!*

## Elkins, W. Va., In Line for Trophy

Elkins, W. Va., a city of approximately 8,000 population with 68 National members, will, from present indications, be awarded the trophy at Pittsburgh for the largest Association in proportion to population. Salem, Ore., was awarded the trophy in this classification for 1935 and 1936; Eugene, Ore., received the trophy in 1937.

## Indianapolis "Goes National"

Indianapolis, Ind., has joined the National ranks with a unit of 50 members. Through the joint efforts of the key credit executives of Indianapolis and Murray H. Morris, the efficient Manager of the Merchants Association of Indianapolis, that Unit will be heard from in years to come.

## To All Golfers

(And all others who play Golf.)

A Golf Tournament for N. R. C. A. and A. C. B. of A. delegates will be held Wednesday afternoon, June 22, at 4:00 o'clock at Shannopin Country Club. Final details have not been completed, but it is expected to play on a handicap basis, with supper at the club at which time prizes will be awarded.

John Althaus, Secretary of the Associated Retail Credit Men of Washington, D. C., is Chairman of the Tournament Committee, and J. L. Meyer, of the Standard Office Supply Company of Pittsburgh, is Vice-Chairman. Please write to either of these men for details if you are interested; don't let the quality of your golf keep you from having a good time. Greens fee \$1.50. Dinner from \$1.50.

## Membership Blank

National Retail Credit Association  
1218 Olive St., St. Louis, Mo.

I hereby apply for one year's membership in your Association, subject to acceptance by you and by your recognized unit in this locality. I enclose \$5.00 which I understand entitles me to all the privileges of membership, including a year's subscription to "The Credit World."

Name.....

Title.....

Firm.....

Business.....

Address.....

City..... State.....

Recommended By.....



# Credit Association Membership Does Pay!

By CHRIS JENSEN

Credit Manager, Crews-Beggs Dry Goods Co., Pueblo, Colo.; President, Ninth District, N.R.C.A.

MANY, many times one hears remarks like this, "Oh, I would belong to the Credit Association, but their dues are too high." Go on and read this article, then form your own conclusion. This actually happened a few months ago and similar schemes can occur in your own locality.

A woman who had lived in the community nearly all her life, and who is now a widow with only a very small income weekly (from vocational training of a few pupils), had a credit record at the local Credit Association for over fifteen years up to the present time. This record disclosed purchases within her income and that she always paid as agreed.

About the middle of the month, this woman purchased a bill of clothing from a store with whom she had had accounts for many years that were paid in a satisfactory manner. As the present purchases were more than usual, she asked for additional time which was granted.

At a weekly meeting of the credit men and women a short time after this purchase was made, one of the members brought up this name for discussion and everything seemed satisfactory. But one member wanted more facts and asked the Credit Association to re-check this name and secure data of latest transactions, also amount owing at the present time.

Here is where the surprise came, which could only be secured through cooperation with the Credit Association. The report showed that this party had purchased in the last few days on credit (from all stores she had had credit with in the past), merchandise in excess of one thousand dollars. Purchases were made at clothing stores, department stores, jewelry stores, music stores, general stores, tire shops and others, amounts as large as two hundred dollars at a single place.

Investigation was immediately started by the Credit Association, which brought out that the party was not living at the address given (although it had been her home for many years), but had gone to another state and relatives did not know where she was.

Further investigation showed that the party owned a 1934 auto on which a license had been issued this year. The record card gave a tire company as an inquirer on this woman's credit. Therefore, the investigator went there and was told she had tried to buy a set of five tires for her car, but the deal had not been closed. The tire dealer told the investigator she was not buying tires for a 1934, but a 1937 model auto.

The investigator started to hunt for this car, as the address given at all the places was the same, but wrong. He was successful in locating the car, parked downtown. Keeping the car spotted he filed attachment against it, and waited for the woman. After patiently waiting for sometime a couple showed up to unlock the car. But a man answered stating it was his car and they had no claim on it, but with him was the woman who had been doing all the buying.

The attachment was served and the auto taken to a garage, but the couple refused to tell where they were stopping. The investigators kept working the next day, and found that these two had registered as man and wife at an auto camp and that much merchandise and many packages had been brought in for several days.

The auto that was attached evidently belonged to the man, but the fact that the two registered as man and wife, placed liability for her purchases against him also.

That same day this couple were not idle; they tried several lawyers to get them a release on their auto, but without success.

The outcome of the whole affair was that it took a ton truck and a driver a whole day to sort out and return to the various merchants all the merchandise that had been bought by this woman.

This Credit Bureau service saved its members over one thousand dollars in this particular case and the loss would have been greater if they had not stepped in, as the couple were not through buying, and had planned to leave the state.

*If you sell on credit, regardless of how little, take out a membership in your local Credit Association and Credit Bureau. It pays.*

## One Hundred Years Ago!

There are people who constantly clamor. They complain of oppression, speculation, and pernicious influence of accumulated wealth. They cry out loudly against all banks and corporations, and all means by which small capitalists become united in order to produce important and beneficial results.

They carry on mad hostility against all established institutions. They would choke the fountain of industry and dry all streams.

In a country of unbounded liberty, they clamor against oppression. In a country of perfect equality, they would move heaven and earth against privilege and monopoly.

In a country where property is more evenly divided than anywhere else, they rend the air shouting agrarian doctrines. In a country where wages of labor are high beyond parallel, they would teach the laborer he is but an oppressed slave.

Sir, what can such men want? What do they mean? They can want nothing, sir, but to enjoy the fruits of other men's labor. They can mean nothing but disturbance and disorder, but the diffusion of corrupt principles and the destruction of the moral sentiments and moral habits of society.—DANIEL WEBSTER, to United States Senate, March 12, 1838.

*Twenty-Sixth Annual Convention—Pittsburgh, Pa., June 21, 22, 23 and 24, 1938. Hotel William Penn. Make your plans now to attend.*



# A Sound Credit Policy for 1938

By MRS. CLARA E. HANEY\*

Credit Manager, Herzbergs (Ladies' and Children's Apparel), Omaha, Neb.

**T**HERE have been a good many signs in the past few weeks that Industry and Government are getting closer together. This is as it should be.

There is no doubt but that a good many errors can be laid at the door of Industry, and the same is true of Government. The fact still remains that each cannot operate successfully without the other. Each has its place. Each has its functions.

These functions are cooperative, not competitive, and for the sake of us who are neither Big Business nor Government geniuses, we hope that Industry and Government will continue their conferences until definite cooperative grounds are found.

Neither side is infallible and we cannot be led into prosperity, but have got to work our way into it.

This makes a grand foundation on which to build something solid.

If Congress is expected to spend most of its time on subjects vitally affecting business, and Washington observers agree that this is the most "business-minded" Congress in six years, then it is about time that Credit Executives too, give more time and attention to the proper functioning of Credit throughout the nation.

I quote Henry H. Heimann, Executive Manager of The National Association of Credit Men, when I say—"The need for close cooperation between capital, labor and government is more and more self-evident. The problem is: how can such cooperation be assured? I believe that if people tried to forget the past and turned their attention to the problem in hand we could go a long way toward solving some of our difficulties."

Nineteen Thirty-Eight should be a satisfactory year even though earnings do not reach the earnings of nineteen thirty-seven. Out of the very adversity that characterized the last few months of "thirty-seven" has come a new emphasis on fundamental thinking that predicts a sounder basis for nineteen thirty-eight.

Most business men realize that in at least one year out of every five effort should be made to conserve capital instead of increasing capital. If this is the year in which conservation of capital becomes necessary, that really calls for alert, efficient and ingenious credit management.

Nineteen thirty-eight will have an abundance of credit at exceptionally low rates. This in turn will bring about increased business failures during the year, and these increased failures will be the consequence of the excesses of nineteen thirty-seven and thirty-eight.

The so-called "recession" is no great mystery. We were obviously headed for it unless corrective measures were taken. The added costs which arose out of un-economic demands, forced higher prices, which in turn demanded longer credit terms. In extending these longer terms the credit granter only makes his credit problem a more difficult one.

One basic feature in favor of the credit granter, how-

ever, is that he has been more active in asserting his views in the past few months, and he has been listened to more attentively. This indicates a better reception in the future.

There was a time when the Credit Manager gave all the credit and got all the blame. He was constantly treading water in a sea of criticism. Today we are able to take our place "in the sun" with the sales manager and are recognized by the business executive as one of the main cogs in the wheel of commerce.

It then behooves each and every one of us to be "up on our toes" so to speak, and warrant the respect which is accredited us.

We, from Nebraska, are fortunate in representing that portion of the Sixth District which rates first in cattle raising per farm, first in sugar production and third in total of all live stock raised for meat purposes.

I quote from our Omaha Chamber of Commerce Journal that in an Agricultural Survey made last year of twenty-five farms taken from "drouth" areas as well as undamaged districts, a net income of 5.84 per cent was realized on the investment and that no one farmer lost money and only two earned less than one thousand dollars. On the other hand, with slight or no increase in salaries generally and with decreased pay rolls in many of our bigger corporations the Credit Manager has a big order on his hands to keep up sales volume, additional new accounts and increased collection percentage.

Mr. Sidney R. Baer, Vice-President and Treasurer of Stix, Baer and Fuller Company, St. Louis, says in a recent CREDIT WORLD:

"The tremendous development of deferred payment selling in the recent quarter of a century, extending now to a variety of types of character of merchandise, makes the problem of credit extension much more difficult. Deferred selling has become one of the most powerful of promotional incentives to business, easily measured in its importance if one realizes that today it is estimated that nearly three billions in deferred accounts are outstanding on the books of business.

"I believe this policy of doing business, conservative to a certain degree, has unfortunately been overdone, and is one of the forces in our economic existence that periodically contribute to the recessions of business and industry."

With efficient Credit Bureaus operating in almost every city and town in our district and with the aforesaid facts at our disposal there remains but one general course for the credit granter to follow. That is to add to the traditional three C's, "Character, Capacity and Capital," three more C's of equal importance, namely, Credit Control, Caution and Collections.

Under Credit Control comes the solicited account, the limited account, and keeping the good account active. Under Caution—the particular care in checking the credit possibilities before opening the account, and not overselling the good account. The third and most important C is closer and more consistent collections.

\*An address before the Sixth District Conference, Minneapolis, Minn., February 20, 21 and 22, 1938.

# CREDIT DEPARTMENT LETTERS

By DANIEL J. HANNEFIN



ONE of the appalling weaknesses of many credit department letters that reach us is their lack of good English. Apparently they are just thrown together. Either the writers don't know the difference or don't care.

It pays to bear in mind that retail letters—that is letters from retail stores—are, in reality, the ambassadors of those stores. *Then they should look the part!*

Many stores will spend lavishly on their delivery trucks and they call that "good advertising" because the public sees their trucks. At the same time, they overlook the potential power for good will that their letters carry.

And I often wonder if slovenliness on the part of some letter writers isn't simply a reflection of the attitude (or lack of it) of the store owners toward their letters.

Take, for instance, the letterheads—which are the basis of all letters. Strangely enough, one can take the letterhead of the average store and, without ever having seen that store, get from it a very vivid impression of the store and its management.

Almost without exception, the great stores of the country have outstanding letterheads—impressively finished—on high grade paper.

On the other hand, there are a great number of stores throughout the country who use, if I may be permitted the expression, "rotten" letterheads. They seem to scour the market for job lots of the cheapest kind of paper stock. Many of the letterheads we receive, not only have no watermark—they're not even on bond paper.

Then the processing! While the executives may have engraved or lithographed stationery, they seem to consider anything good enough for their credit departments. The result? Not even a decent printed letterhead but a smutty job run on the office mimeograph or multi-graph.

So with all the combination of shoddy paper, imitation printing and slouchy letter make-up, don't you often just wonder about the value of the final impression on the customer? My guess would be "zero minus."

Every writer of credit department letters should have some coaching in what is expected of his letters. If necessary, he should set himself up as his own critic—should put himself in the customer's place and try to gauge his reactions if he were the recipient.

He should be meticulous in his choice of words and in the use of them; should never use words of which he doesn't understand the exact meaning; should never use "sloppy" or faulty English in his letters.

A good rule is "When in doubt, don't." That is, if you doubt the propriety of using a given word or phrase, don't use it. Use a more familiar one, one that you are sure of. Use simple words or phrases, anyway, if you wish your letters to achieve distinction.

The Bible is written in simple words, words of the herds and fields. Yet its very simplicity gives it a beauty unmatched.

The letter in *Figure 1* (opposite page) is submitted as a good example of clear thinking and writing. The Plettman letter (*Figure 2*) was submitted by Miss Bessie Nichols, Credit Manager of Plettman's, with this comment:

"To one quite new in the handling of credit I find *The CREDIT WORLD* most helpful. I am particularly interested in 'Credit Department Letters.'

"We are in the wholesale and retail grocery business, with approximately 2,000 charge accounts in our four stores. I have worked out this letter which I use as almost a last resort on accounts which have been closed and on which there has been no recent payment.

"This letter was sent to 13 accounts recently and nine of the customers either came in and paid on the account or made satisfactory arrangements."

That's a good letter—good thinking put on paper! *Figure 3* is a "newcomer" letter that achieves a friendly atmosphere right from the start.

*Figure 4* is a novel collection letter idea. The pin originally was pasted to the letter by means of a little label on which was printed the little couplet.

## WAITING DOLLARS

There are dollars waiting for the stores that offer their customers and employees the convenience of purchasing "soft" merchandise on installments. Like every worth-while credit plan it stimulates sales—and concentrates business in your store that would otherwise go elsewhere.

There are more dollars waiting for you in savings when you use Allison's Coupon Books to handle this class of credit business. They provide speed with accuracy—limit credit—decrease bookkeeping costs—and properly identify such credit customers.

Prices, samples and complete information will be cheerfully furnished without cost or obligation. Write today.

1888 **ALLISON**  
**COUPON** 1938  
**COMPANY**

FACTORY AND EXECUTIVE OFFICES

INDIANAPOLIS, IND.

# MERCHANTS

ICE & COAL COMPANY

MANUFACTURERS AND DISTRIBUTORS  
PURE ICE  
DISTRIBUTORS OF ICE USING EQUIPMENT

DISTRIBUTORS OF CERTIFIED  
SAHARA COAL  
AND OTHER GRADES OF COAL AND COKE



GENERAL OFFICES  
214 N. FLORENCE ST.  
ST. LOUIS 80  
MISSOURI 63102

April 16, 1938.

①

IT IS AN HONOR to receive a bill, because it indicates someone has faith in your honesty.

CREDIT is the most valuable thing you have ..... good credit comes only from the prompt payment of your bills.

CHERISH your credit as you do your health, happiness, and other priceless things.

Yours very truly

Division Credit Manager

JCDowdy:TP



## Plettman's

ALBERT PLETTMAN, OWNER

WHOLESALE & RETAIL

PHONE 4250

PORT ARTHUR, TEXAS

②

I've come to ask you a personal favor --

This is not a collection letter. You have been a valued customer too long for us to question the delay in payment. We know that most likely you have just overlooked this bill.

But, two days from now, I'm going to be "on the spot". When I explain the reason I feel sure that I can count on you.

At that time I will have to prepare a statement for the Auditing Department. And if this account is not paid within five days of that time, or some definite arrangements made as to payment, the account will automatically go into the Collection Department for a collector to call on you. As you probably know, when an account is turned over to a collector, that information goes on the records at Retail Merchants Association.

As you can imagine, I want to show the highest collection percentage possible and keep down the count of "transfers" to collection department. To accomplish this I need your check.

Thank you and in return I hope that I may have the opportunity to be of service to you.

Cordially yours,

PLETTMAN'S

CREDIT DEPARTMENT

# M. L. PARKER COMPANY

FOUNDED 1902

DAVENPORT, IOWA

③

Establishing your home in Davenport means new things to do, new places to go, new friendships to be made; of course, the latter is of greatest interest. We want to be one of your first new friends and to become well acquainted with you.

Parker's has a thirty-two-year-old reputation of the highest degree for serving and satisfying the people in this community. Truly, we are the store that every woman thinks of first when she starts on a shopping tour.

Will you let us have the pleasure of assisting you in your "discovery" of our store and its many features? We have opened an account for you and our credit department personnel will enjoy showing you about. Your most convenient time will be our appointment with you.

Sincerely yours,

M. L. PARKER COMPANY

*L. Parker*  
Credit Manager

DA:MH

## Iowa Sanitarium & Hospital

NEVADA, IOWA

March 10, 1938

Dear Friend:

④

There is only one point in sending you this pin - - - - -

See a pin and pick it up, and all the day you'll have good luck.

- - - - - to help you pin your check to the enclosed statement and mail it promptly to me in the enclosed envelope.

And here is a stamp in anticipation of your willingness to mail your check today.

Stamp  
here

With many thanks for your promptness and for your interest in the Iowa Sanitarium.

Sincerely yours,

H. J. Perkins, Manager,  
Iowa Sanitarium & Hospital.

# Collecting Outlawed Accounts

By DAVID MORANTZ

Manager, Morantz Mercantile Agency, Kansas City, Kansas; President, Kansas City (Kansas) Unit, National Retail Credit Association; and Author of Book, "Proven Plans to Speed Collections and Timely Tips to Trim Office Overhead."

I WANT to see the manager!" he demanded in a loud voice, as he walked into the office. When asked what he wanted with the manager, he insisted on talking to the manager *and to the manager only*. He would not tell his business to anybody else. Accordingly he was sent in to me.

"Did you write me that letter?" And he threw the letter down on my desk before me.

"Yes," I replied, "that letter came from this office. Are you the Frank Jones to whom it is addressed?"

"Yes, I'm the Frank Jones and I want to ask you this: Do you know how old that account is?"

I ordered the file brought in to me and asked my pugnacious visitor to sit down. Never let a debtor in that frame of mind stand up and talk to you, if you are sitting down. The man on his feet has the advantage over the man sitting down and if you want to manage that interview, it is wise to get him in the same position as you. Strange as it may seem, his sails lose a lot of wind as soon as he changes his position from a standing to a sitting one.

When the file was brought in to me, I noted that it was an undertaking account of \$57.00, for the burial of a son nearly six years before.

"Yes," I said, "I know how old it is."

"Well, when is an account outlawed?" he demanded.

I saw that he knew the account was outlawed and that he wanted me to admit it so I said, after a slight pause:

"The law on that point differs in different states, *but*"—and I looked him squarely in the eyes, "even though an account may be outlawed *legally*, a *just* debt is never outlawed *morally* and I have found very few men who wanted to take advantage of the Statute of Limitations to get out of paying an honest obligation.

"As I size you up, I'm *sure* you're not the kind who would."

I continued to look him straight in the eyes and he squirmed a little in his chair.

Then I reached for a book that I keep within easy reach and busied myself very actively, apparently searching for something in it. After a moment or two I looked up at him again with a slight smile and said: "I'm glad to see that your name's not in it."

"Not in what?" he demanded. His curiosity was being aroused.

"Why in this Profit and Loss list issued by our Retail Credit Association, composed of over 400 of the largest retail stores in the city. It contains a list of people whose names are turned in by the members as having been charged off to Profit and Loss. This enables every member to profit from the experience of the 400 other members in the extension of credit and I'm really glad to see that apparently you pay your bills—at least your name is not listed here.

"Now tell me why you paid everybody else and allowed

this account to remain unpaid for these six years past? Weren't the services satisfactory?"

"Yes," he replied, "the services were O. K. but right after that boy died, my wife took sick and I lost my job and it's been nip and tuck ever since. I've been on the 'extra board' until just two weeks ago when I got a regular run."

"Well I'm glad to hear you were satisfied with the services and I can easily see why you haven't paid this bill.

"The Kansas City Southern, I believe, has a plan of lending money to employees to help them pay bills. Do you think you could borrow the money from them if I offered you a substantial discount for cash?"

"I don't work for the Kansas City Southern," he returned quickly, without realizing that he was giving me his place of employment. "I work for the Rock Island and they don't lend money like that."

"All right," I said, realizing that the account was outlawed and not legally enforceable, "I'll tell you what I'll do. You really ought to pay interest on this \$57.00 for these six years. That interest at 6 per cent would amount to approximately \$20.00. Now I'll make you this proposition. If you can borrow the money, I'll not only knock off this \$20.00 interest but also \$12.00 off the principal and accept \$45.00 cash in settlement of your account."

His face brightened up.

"That's sure fine of you," he exclaimed, "and I'm going to do my best to raise it."

I reached for a piece of paper and hastily jotted down the following in ink right before him, dating it as of that date:

"I appreciate Mr. Blank's services and leniency in regard to the account of \$57.00 I owe him and I shall endeavor to borrow the money to pay him. If not successful, I shall pay it in monthly installments of \$5.00 beginning this coming June 1st."

This gave him reasonable time to get back on his feet and start his payments if he could not get his loan.

Then I handed him the pen.

"You've admitted that this is a just bill and that my client's services were satisfactory. Now if you will sign this, I'll show it to him and I know it will make him feel mighty good if you just tell him what you've just told me."

Without the slightest hesitancy he signed the little memorandum—and another outlawed account was reclaimed!

A written acknowledgment renews a debt as does also a payment on account—in most states.

A friend of mine told me this story of a little scheme that renewed an outlawed account. He called on his debtor, who lived quite a distance out and told him how badly he needed the money.



He received the same hard luck story he had always got—but no cash. Then he said: "I walked all the way out here hoping to get a little money from you because I absolutely needed it. I haven't a cent with me. Now I guess I'll have to walk all the way back. Can't you at least let me have carfare back?"

"Oh, I can do that for you," he replied, and handed him the amount of the fare back to town. That payment renewed the account and needless to say my friend reduced it to judgment before it outlawed again.

\* \* \*

If you have read my book *Proven Plans to Speed Collections and Timely Tips to Trim Office Overhead* you may recall the "Audit letter" on page 11 that was sent out by the manager of a tire company to 28 very old accounts.

This letter brought in exactly 18 responses—many of them with money—a percentage of 64.28 per cent.

This idea has been the means of renewing many outlawed accounts.

\* \* \*

A grocer, standing in front of his store, saw the son of a former customer, who owed him an outlawed bill, go by carrying five milk bottles.

"Where are you going with those milk bottles, son?" he asked pleasantly.

"Down to -----," and he mentioned the name of a competitor down the street, "and trade them in on some groceries."

"Say, I just need some empty milk bottles to fill out a case. I'll buy 'em from you and give you a candy bar besides."

This appealed to the boy who was glad to get rid of his load anyway.

The grocer took the five bottles, credited the boy's father's account with twenty-five cents, charged the twenty-five cents' worth of groceries to the long standing account of his erstwhile customer and handed the boy a candy bar as promised. As the boy was leaving the store highly elated over the bargain, the grocer called him back.

"What's your Dad doing now?" he asked with a pleasant smile.

"He's got a keen job now, working for the Santa Fe. He's a switchman."

Needless to say, our grocer friend had his money in full with interest and costs before many pay days had passed.

\* \* \*

Many an outlawed account is collected by writing a letter to the debtor in care of the superintendent of the plant where he is working. The debtor may be aware of the fact that the account is outlawed but he does not want his employer to know about it. This letter shows him that his definite place of employment is known, so not infrequently he comes in and settles.

\* \* \*

A furniture house had worked up an especially attractive catalogue in colors of Christmas gift suggestions to send to its mailing list. The credit man, as an experiment, decided to send this also to a few of their former customers who owed outlawed accounts.

One woman, who received it and whose account had been on the books long before this credit man's time, came in and said: "I sure appreciate your sending me that nice letter and catalogue, especially since I've owed you that

bill for so long. There's just the little rocking chair I want for my little girl. If you'll sell it to me for cash, I'll pay you two dollars on my old account now and pay you two dollars every week."

That credit man now has all of his slow pays on the mailing list and, of course, when, and if, they come in, he has a heart to heart talk with them about their accounts.

And on the subject of collecting outlawed accounts, let me leave you with this thought: "Diplomacy and tact will get you further than anything else in collecting such accounts."

36

## Nonmembers Welcome at Pittsburgh

Nonmembers will be welcome to attend the Twenty-Sixth Annual Convention at Pittsburgh, June 21-24, provided they pay the Convention registration fee of \$10.00. This entitles them to participate in all general sessions and group meeting discussions. It also includes the Banquet Thursday night.

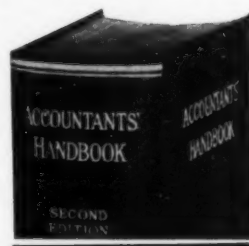
**For Alert Credit Men Everywhere:**  
the famous

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WHATEVER use you make of accounts and statements, this Handbook is the first place to go on accounting questions in your business day. It helps you display the kind of judgment and skill that wins recognition. Gives you expert information and guidance for prompt, practical handling of any situation, everyday or emergency, you may meet.

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# Try the New "Standard" Collection Stickers

## "O.K."—

—when you say, "Charge It"—  
is a mark of trust—confidence  
that you will pay promptly.

This account is overdue. Remit  
now, please, and—

Keep Your Credit "O.K."



This new series of "Standard"  
collection stickers combines all the  
good points of the old series,  
which members used to the ex-  
tent of a million a year, with  
newness:

New copy, new layout, new  
color in the gummed paper.

Five in the series, exact size as  
shown by dotted lines (upper half  
of this page). Attractively printed  
in contrasting color on buff-col-  
ored gummed paper.

Inoffensive—Inexpensive!

Prices, 1,000 of any one sticker,  
\$2.00; 1,000 assorted, \$2.50; 500 as-  
sorted, \$1.50. When ordering "as-  
sortments" please specify "New  
Standard" Stickers.

## Don't Break the Magic Circle!

Credit is the magic circle of  
business. When you pay your  
creditors—they can pay theirs  
and so on, around the circle,  
until it comes back to you!

Credit Is Confidence—  
Safeguard It!



## Treat Your Credit As a Sacred Trust!

Credit is faith—confidence in  
your agreement to pay accord-  
ing to terms.

Keep Faith With Your Credi-  
tors and Justify Their Trust!



## Prompt Payment

—is as necessary to the mer-  
chant and professional man as  
prompt service is to you!

You are their paymaster. Pay  
according to agreement and

Protect Your Credit.



## Past Due

Don't let this past due account  
mar your credit record. Pay it  
now—and keep your credit rec-  
ord clear!

Prompt Payments Build Good  
Credit!



## "Good Credit—

is worth more than all the  
gold mines in the world,"  
said Webster.

Prompt Payment Builds  
Good Credit—"Worth  
More Than Gold"



## Also--The "Gold" Series

An outstanding series—rich and  
dignified looking: Printed in royal  
blue, on special gold paper. Five  
in series (shown on lower half of  
this page). Actual size, 1 3/4" x 2".  
(Dotted lines are not part of stick-  
ers but are only "size indicators.")

PRICE, \$3.00 PER THOUSAND

Order Either Series from Your  
Credit Bureau or—National Retail  
Credit Association, Fourth Floor,  
1218 Olive St., St. Louis.

## Keep Your Credit As "Good As Gold"!

Prompt payment of accounts,  
according to terms, will build  
a priceless credit record—

"Worth More Than Gold"



## A Friendly Reminder!

As this account is overdue,  
your remittance will be  
greatly appreciated.

Prompt Payment Builds  
Good Credit—"Worth  
More Than Gold"



## Now—Please?

We know how easy it is to  
forget. Won't you send it  
now—please—while you have  
it in mind?

Prompt Payments Build  
Good Credit—"Worth  
More Than Gold"



## Past Due!

Prompt payment of this ac-  
count is necessary to protect  
your credit record.

Safeguard Your Credit—  
It's "Worth More Than  
Gold"!



# Six Advertisements In This New "Pay Promptly" Campaign

Companion to the "Standard" Series

## Good Credit Is Your Magic Wand!

### SIX NEW ADS:

"Good Credit Is Your Magic Wand"  
(Shown at right)

"Prompt Payment of Bills Prevents 'Q. C.'"

"Your Credit Record Is an Open Book"

"Are You Haunted By Credit Worries?"

"Is Your Credit Record Holding you Back?"

"Friends Talk About 'Q. C.,' Too!"



FAIRY godmothers and magic wands were but fantasies of childhood. But, today, we have at our command a magic force for supplying needs. Modern credit facilities! Millions, today, are buying homes on credit—and furniture, automobiles, electrical appliances, and other

modern conveniences that were luxuries but a generation ago!

And—paying out of earnings—they have use of their purchases while paying for them!

All that is required is a good credit record—a reputation for meeting obligations according to agreement.

Use Your Credit and Build a Good Credit Record—  
By Paying Promptly, According to Agreement!



© 1937, NATIONAL RETAIL CREDIT ASSOCIATION

PUBLISHER NOTE CAREFULLY. This Space Is for Local Association Signatures to be Set by You.

Cut off small brackets at each outside corner of advertisement which are placed there only to indicate exact size of space.

### MATS IN TWO SIZES

These ads come complete, in mats ready to hand to your newspaper, in two sizes. Prices:

8 x 12 in. \$2.00 each  
4 x 6 in. \$1.25 each

Sample advertisement (in 4" x 6" size) shown at left—actual size.

Series may be used as a campaign or in conjunction with our "Standard" series of 12 ads.

If you have used the "Standard" campaign, this new campaign can be used to "follow through." *If you have not* used the "Standard" campaign, you can use both as a continuous newspaper campaign of 18 advertisements.

A new "Portfolio of Pay Promptly Advertising," showing all of the ads of the new campaign, as well as the effective advertisements of the "Standard" campaign, will be sent upon request.

## NATIONAL RETAIL CREDIT ASSOCIATION

FOURTH FLOOR

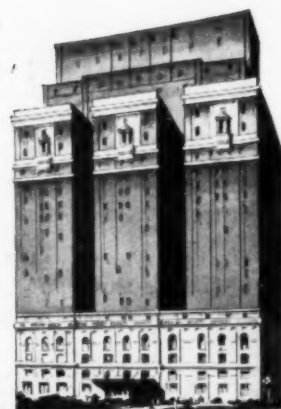
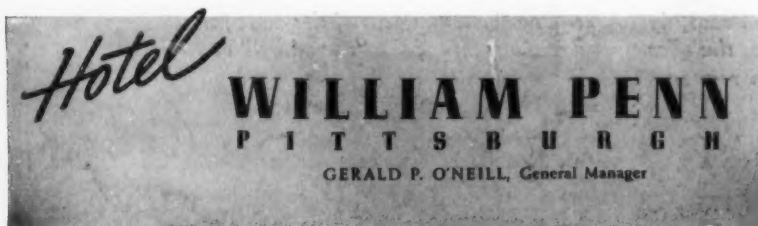
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**N**EW appointments to make even better one of America's finest hotels. New appointments to give you richer value for every penny you spend with us. "On stage" and "back stage," close to a million dollars has gone into new appointments and equipment. You'll enjoy the rare beauty of the new Italian Terrace restaurant . . . and to boast of the marvelous dinners you enjoyed there! No matter how travel-weary you arrive, one glance around any one of the new bedrooms and your rest cure starts \* You'll enjoy the smoother grace of living that marks the William Penn today. You've ranked the William Penn high among the country's finest . . . now you'll find it even better.



1600 outside rooms, all with bath, circulating ice water. Rates from \$3.50 single. Dinner and supper dancing on the cool Urban Roof.

Convention Headquarters, 26th Annual Convention, N. R. C. A.  
June 21, 22, 23 and 24, 1938

